



USAID
FROM THE AMERICAN PEOPLE

ADS Chapter 302

USAID Direct Contracting

Partial Revision Date: 08/06/2013
Responsible Office: M/OAA/P
File Name: 302_080613

Functional Series 300 – Acquisition and Assistance
 ADS 302 – USAID Direct Contracting
 POC for ADS 302: Carol Ketrick, (202) 567-4676, cketrick@usaid.gov

Table of Contents

| | | |
|--------------------------|---|------------------|
| <u>302.1</u> | <u>OVERVIEW</u> | <u>5</u> |
| <u>302.2</u> | <u>PRIMARY RESPONSIBILITIES</u> | <u>5</u> |
| <u>302.3</u> | <u>POLICY DIRECTIVES AND REQUIRED PROCEDURES</u> | <u>7</u> |
| <u>302.3.1</u> | <u>Summary of Acquisition Policies, Regulations, and Procedures</u> | <u>7</u> |
| <u>302.3.1.1</u> | <u>Applicability of Regulations, Policies and Related Guidance</u> | <u>7</u> |
| <u>302.3.1.2</u> | <u>Deviations</u> | <u>7</u> |
| <u>302.3.2</u> | <u>Reserved</u> | <u>7</u> |
| <u>302.3.3</u> | <u>Contracting with a Foreign Governmental Organization</u> | <u>7</u> |
| <u>302.3.4</u> | <u>Acquisition Planning</u> | <u>9</u> |
| <u>302.3.4.1</u> | <u>Individual Acquisition Plans</u> | <u>9</u> |
| <u>302.3.4.2</u> | <u>Applicability of the DAC Recommendation for Construction and Other Procurements Subject to Untying Requirements</u> | <u>10</u> |
| <u>302.3.4.3</u> | <u>Source and Nationality for Procurement of Commodities and Services</u> | <u>10</u> |
| <u>302.3.4.4</u> | <u>Contract Review Board (CRB)</u> | <u>11</u> |
| <u>302.3.4.5</u> | <u>Limiting Competition</u> | <u>12</u> |
| <u>302.3.4.6</u> | <u>Unsolicited Proposals</u> | <u>19</u> |
| <u>302.3.4.7</u> | <u>Expediting Awards Made Under Section 8(a) of the Small Business Act</u> | <u>19</u> |
| <u>302.3.4.8</u> | <u>Branding</u> | <u>19</u> |
| <u>302.3.4.9</u> | <u>Organizational Conflict of Interest (OCI)</u> | <u>19</u> |
| <u>302.3.4.10</u> | <u>Indefinite Quantity Contracts – Exception for Small Businesses</u> | <u>19</u> |
| <u>302.3.4.11</u> | <u>Logistic Support Overseas to USAID Direct Contractors</u> | <u>20</u> |
| <u>302.3.4.12</u> | <u>Grants Under Contracts (GUCs)</u> | <u>22</u> |
| <u>302.3.4.13</u> | <u>Information System Security</u> | <u>23</u> |
| <u>302.3.4.14</u> | <u>Implementation of Section 508 of the Rehabilitation Act of 1973</u> | <u>23</u> |
| <u>302.3.4.15</u> | <u>Designation of the Contracting Officer's Representative (COR)</u> | <u>24</u> |
| <u>302.3.5</u> | <u>Solicitation Requirements and Provisions</u> | <u>27</u> |
| <u>302.3.5.1</u> | <u>Branding</u> | <u>27</u> |
| <u>302.3.5.2</u> | <u>Standardization of Indefinite Quantity Contracts (IQCs)</u> | <u>27</u> |
| <u>302.3.5.3</u> | <u>Indefinite Quantity Contracts (IQCs) – Exception for Small Businesses</u> .. | <u>28</u> |
| <u>302.3.5.4</u> | <u>Key Personnel</u> | <u>28</u> |
| <u>302.3.5.5</u> | <u>Reporting on Taxation of U.S. Foreign Assistance</u> | <u>29</u> |

Text highlighted in yellow indicates that the material is new or substantively revised.

| | | |
|-----------------------|---|------------------|
| <u>302.3.5.6</u> | <u>Grants Under Contracts (GUCs)</u> | <u>30</u> |
| <u>302.3.5.7</u> | <u>The Government Cost Estimate in Negotiated Procurements</u> | <u>30</u> |
| <u>302.3.5.8</u> | <u>Defense Base Act (DBA) Insurance</u> | <u>31</u> |
| <u>302.3.5.9</u> | <u>Nondiscrimination</u> | <u>31</u> |
| <u>302.3.5.10</u> | <u>Organizational Conflict of Interest (OCI)</u> | <u>31</u> |
| <u>302.3.5.11</u> | <u>Implementation of Section 508 of the Rehabilitation Act of 1973</u> | <u>32</u> |
| <u>302.3.5.12</u> | <u>Information System Security</u> | <u>32</u> |
| <u>302.3.5.13</u> | <u>Access to USAID Facilities and USAID's Information Systems</u> | <u>32</u> |
| <u>302.3.5.14</u> | <u>Supporting USAID's Disability Policy in Contracts</u> | <u>33</u> |
| <u>302.3.5.15</u> | <u>Incorporating Gender Issues into Solicitations</u> | <u>33</u> |
| <u>302.3.5.16</u> | <u>Incorporating Conscience Clause Implementation into Acquisition Solicitations, Awards and Amendments</u> | <u>34</u> |
| <u>302.3.5.17</u> | <u>Awards Limited to Local Competition</u> | <u>34</u> |
| <u>302.3.5.18</u> | <u>Prohibition on USAID-Specific Experience Requirements in Evaluation Criteria</u> | <u>34</u> |
| <u>302.3.5.19</u> | <u>USAID-Financed Third Party Web Sites</u> | <u>35</u> |
| <u>302.3.5.20</u> | <u>Conference Costs and Required Approvals</u> | <u>36</u> |
| <u>302.3.6</u> | <u>Pre-Award Requirements</u> | <u>36</u> |
| <u>302.3.6.1</u> | <u>Composition of Technical Evaluation Committees (TECs)</u> | <u>36</u> |
| <u>302.3.6.2</u> | <u>Dissemination of Cost Proposal Information to TECs in Negotiated Procurements</u> | <u>37</u> |
| <u>302.3.6.3</u> | <u>Evaluation and Use of Contractor Past Performance and Integrity Information (CPII)</u> | <u>38</u> |
| <u>302.3.6.4</u> | <u>Branding</u> | <u>38</u> |
| <u>302.3.6.5</u> | <u>Pre-award Audits and Surveys</u> | <u>38</u> |
| <u>302.3.6.6</u> | <u>Non-Expendable Property (NXP)</u> | <u>38</u> |
| <u>302.3.6.7</u> | <u>Classified Contract and Contractor Security Requirements</u> | <u>39</u> |
| <u>302.3.6.8</u> | <u>Negotiation of Indirect Cost Rates</u> | <u>39</u> |
| <u>302.3.6.9</u> | <u>Determining Profit and Fee Objectives</u> | <u>39</u> |
| <u>302.3.6.10</u> | <u>USAID Contractor Salary Threshold (USAID CST)</u> | <u>39</u> |
| <u>302.3.6.11</u> | <u>Waiver to Standards for Accessibility for the Disabled in USAID Construction Contracts</u> | <u>40</u> |
| <u>302.3.6.12</u> | <u>Contract Reporting and Data Universal Numbering System (DUNS) Number</u> | <u>41</u> |
| <u>302.3.6.13</u> | <u>Prohibition on Transactions with Designated Entities – Office of Foreign Assets Control (OFAC)</u> | <u>41</u> |
| <u>302.3.6.14</u> | <u>Incorporating Successful Competitive Proposals into Contracts by Reference</u> | <u>41</u> |
| <u>302.3.7</u> | <u>Award</u> | <u>41</u> |
| <u>302.3.7.1</u> | <u>Reserved</u> | <u>42</u> |
| <u>302.3.7.2</u> | <u>Congressional Award Notification System</u> | <u>42</u> |
| <u>302.3.7.3</u> | <u>Processing of Awards in the Global Acquisition & Assistance System (GLAAS)</u> | <u>43</u> |

| | | |
|--------------------------|---|------------------|
| <u>302.3.8</u> | <u>Post-Award Administration</u> | <u>43</u> |
| <u>302.3.8.1</u> | <u>Award of Task Orders under Multiple Award Indefinite Quantity Contracts (IQCs) - Fair Opportunity Procedures</u> | <u>43</u> |
| <u>302.3.8.2</u> | <u>Award of Task Orders Under Indefinite Quantity Contracts (IQCs) – Exception to Fair Opportunity Procedures for Small Businesses</u> | <u>44</u> |
| <u>302.3.8.3</u> | <u>IQC Task Orders, Design and Implementation, Organizational Conflict of Interest</u> | <u>44</u> |
| <u>302.3.8.4</u> | <u>Approval of Contractor Salaries Exceeding the USAID Contractor Salary Threshold (USAID CST)</u> | <u>44</u> |
| <u>302.3.8.5</u> | <u>Post Award Requirements Concerning Prohibition on Transactions with Designated Entities – Office of Foreign Assets Control (OFAC)</u> | <u>46</u> |
| <u>302.3.8.6</u> | <u>The Role of the Contracting Officer in the Debt Collection Process</u> | <u>46</u> |
| <u>302.3.8.7</u> | <u>Evaluation of Contractor Performance</u> | <u>47</u> |
| <u>302.3.8.8</u> | <u>Reporting on Taxation of U.S. Foreign Assistance</u> | <u>47</u> |
| <u>302.3.8.9</u> | <u>Processing of Award Modifications in GLAAS</u> | <u>47</u> |
| <u>302.3.8.10</u> | <u>Reporting of Terminations for Default/Cause</u> | <u>47</u> |
| <u>302.3.8.11</u> | <u>Contractor Code of Business Ethics and Conduct - Contractor</u> | <u>48</u> |
| <u>302.3.8.12</u> | <u>Debarment and Suspension</u> | <u>48</u> |
| <u>302.3.8.13</u> | <u>Close-out Procedures</u> | <u>49</u> |
| <u>302.4</u> | <u>MANDATORY REFERENCES</u> | <u>49</u> |
| <u>302.4.1</u> | <u>External Mandatory References</u> | <u>49</u> |
| <u>302.4.2</u> | <u>Internal Mandatory References</u> | <u>50</u> |
| <u>302.5</u> | <u>ADDITIONAL HELP</u> | <u>52</u> |
| <u>302.6</u> | <u>DEFINITIONS</u> | <u>53</u> |

ADS 302 – USAID Direct Contracting

302.1 OVERVIEW

Effective Date: 04/20/2006

This chapter prescribes the Agency's policy directives, required procedures, and internal guidance for the procurement of goods and services through direct contracts for the purposes of implementing Agency programs and supporting Agency logistics.

Throughout this chapter, the terms "acquisition" and "procurement" are used interchangeably.

The policies in this chapter do not apply to personal services contracts.

302.2 PRIMARY RESPONSIBILITIES

Effective Date: 08/06/2013

As described in [ADS 103, Delegations of Authority, Section 103.3.10.7](#), the Assistant Administrator, Bureau for Management, has designated to the Director, Office of Acquisition and Assistance (M/OAA), the responsibilities of the Senior Procurement Executive, the Chief Acquisition Officer, and the Head of the Contracting Agency.

a. The **Senior Procurement Executive** in M/OAA is responsible for:

- (1) The management direction of USAID's Acquisition & Assistance system, as delegated and described in [ADS 103](#).
- (2) Approval of [Procurement Executive Bulletins \(PEBs\)](#), which issue information on general guidance, best practices, reminders, and Frequently Asked Questions.

b. The **Chief Acquisition Officer (CAO)**, in M/OAA is responsible for:

- (1) Exercising, in person or by delegation, authorities stated in the [Federal Acquisition Regulation \(FAR\) Subparts 1.3 and 1.6](#) and [USAID Acquisition Regulations \(AIDAR\)](#) subparts 701.3 and 701.6, **including selecting and appointing Contracting Officers and terminating their appointments.**
- (2) Approving Acquisition & Assistance Policy Directives ([AAPDs](#)), which provide interim implementation or advance notification of A&A regulations, and Agency A&A policy, procedures, and other information.
- (3) **Establishing and updating, as necessary, policies, procedures, and practices that ensure the use of full and open competition and the appropriate use of performance-based contracting.**

- (4) Approving contractor salaries that exceed the USAID Contractor Salary Threshold (**302.3.8.4**).

c. The **Head of the Contracting Activity (HCA)**, as defined in [AIDAR 702.170-10](#), is responsible for:

- (1) Procuring supplies and services necessary to carry out the programs and activities for which he or she is responsible, including executing contracts within the authorities specified in AIDAR subpart 701.601.
- (2) Establishing procurement policies, procedures, and standards appropriate for the programs and activities, subject to the policy stated in this chapter.

d. The **Suspending and Debarring Official (SDO)**, ([AIDAR 709.4](#)), suspends or debars individuals and entities from participating in government-funded contracts in accordance with [FAR Part 9](#), when such action is in the public interest.

e. The **Bureau for Management, Office of Acquisition & Assistance (M/OAA)**, is responsible for:

- (1) Developing, issuing, and maintaining the Agency's acquisition regulations, procedures, and standards, in accordance with established Agency delegations and requirements.
- (2) Evaluating the Agency's procurement system, providing recommendations to the Procurement Executive regarding the certifications specified in 302.2.b(1), and providing technical support to overseas Contracting Officers.

f. The **Contract Review Board** is responsible for reviewing solicitations and award documents exceeding \$10 million for acquisitions, consistent with the policy found in **302.3.4.4**.

g. **Contracting Officers (COs) and Negotiators** are responsible for entering into, administering, and terminating USAID-direct contracts in accordance with the limitations of their delegated authority, policy directives, and required procedures.

h. The **Activity Manager** is responsible for drafting a procurement request, including the Statement of Work and an appropriate evaluation plan.

i. The **Contracting Officer's Representative (COR)**, generally from the office of the Development Objective Team sponsoring the contract activity, is designated by the Contracting Officer and is responsible for the technical oversight and administration of the activity.

302.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES

302.3.1 Summary of Acquisition Policies, Regulations, and Procedures

302.3.1.1 Applicability of Regulations, Policies and Related Guidance

Effective Date: 08/06/2013

USAID executes all direct procurement in accordance with the [FAR](#), and the [AIDAR](#). Additionally, Agency policies on specific topics can be found in sections of the Code of Federal Regulations (CFRs) and the 300 Series of the Automated Directives System (ADS). When it is necessary to implement timely changes prior to a formal amendment of Agency procurement regulations and policy, the Director, M/OAA, issues Acquisition & Assistance Policy Directives ([AAPDs](#)). AAPDs replaced Contract Information Bulletins (CIBs); however, some CIBs are still in effect. Procurement Executive Bulletins (PEBs) provide information on general guidance, best practices, reminders, and frequently asked questions, in addition to Agency policy and regulations.

302.3.1.2 Deviations

Effective Date: 07/01/2007

Contracting Officers (COs) must follow the procedures in [AIDAR 701.4](#) when deviating from the policy directives or required procedures in this ADS chapter. However, COs may not deviate from **302.3.6.10**, Approval of Contractor Salaries Exceeding the USAID Contractor Salary Threshold (USAID CST).

302.3.2 Reserved

302.3.3 Contracting with a Foreign Governmental Organization

Effective Date: 08/06/2013

This section prescribes the policy directives and required procedures for contracting and subcontracting with foreign governmental organizations, which are defined as foreign organizations that function as governing bodies, such as foreign ministries and local governments. The policy does not apply to contracts or subcontracts with foreign government-owned parastatal organizations, which function more like private sector commercial or non-profit organizations. They are covered by the nationality restrictions in [ADS 310, Source and Nationality Requirements for Procurement of Commodities and Services Financed by USAID](#).

Both contracts and subcontracts with a foreign governmental organization may be necessary under some circumstances. **These occur as:**

- USAID direct awards with foreign ministries or other foreign governmental organizations;
- Contracts executed by USAID recipients; or

Text highlighted in yellow indicates that the material is new or substantively revised.

- Subcontracts executed by USAID contractors.

a. Justification and Approvals (J&As)

Prior to entering into a contract or approving a subcontract with a foreign governmental organization, USAID requires a written justification and approval (J&A) which confirms that USAID staff has thoroughly reviewed all considerations. This requirement applies to direct contracts, subcontracts under contracts, and contracts under assistance awards such as grants and cooperative agreements.

- (1) The J&A must contain the following information:
 - (a) Identification of the J&A as a justification for procurement from a foreign governmental organization;
 - (b) A statement, which concisely describes the specific need for a procurement from a foreign governmental organization;
 - (c) An explanation of why the foreign organization is the most appropriate source of supply; and
 - (d) A discussion of any required deviations, waivers, etc.
- (2) The Contracting Officer (CO) must coordinate and obtain advice from the Office of the General Counsel, Acquisition and Assistance (GC/A&A), or the Regional Legal Advisor.
- (3) Required approvals and their thresholds are as follows:
 - (a) J&As for contracts and subcontracts worth \$500,000 or less require approval by the CO, and
 - (b) J&As for contracts and subcontracts worth more than \$500,000 require approval by the Procurement Executive.
- (4) The CO must include a copy of the J&A in the contract file.

b. Guidance for review of proposed subcontract awards to foreign governments.

COs should consider the following items before contracting or subcontracting with a foreign governmental organization:

- (1) Audit and accounting systems. Will the organization allow access to their books and records if USAID requires an audit provision in the contract?

- (2) Reasonableness of cost/price. How will the CO determine the price/cost reasonableness?
- (3) Taxes. How will taxes be handled if they are required? [FAR 52.229-7 and 52.229-9](#) address taxes under USAID contracts with foreign governments.
- (4) Termination. Will the organization agree to contract termination provisions?
- (5) Host country contribution. Would it be appropriate for the foreign governmental organization to provide some or all of the goods or services as part of its contribution under the Development Objective Agreement?
- (6) Host country salary supplementation. As a general rule, USAID discourages salary supplements, except in very special circumstances and only with the proper justification.
- (7) Clauses. In cases when a mandatory clause may not be applicable, COs must obtain Head of Contracting Agency approval for a deviation.

302.3.4 Acquisition Planning Effective Date: 08/06/2013

This section provides policy and procedures for planning agency acquisitions.

302.3.4.1 Individual Acquisition Plans Effective Date: 08/06/2013

Acquisition planning is required to promote and provide for acquisition of commercial items or non-developmental items and full and open competition to the maximum extent practicable; and for selection of the appropriate contract type. Acquisition planning and market research is the joint responsibility of the program, technical, and contracting officers, and must be conducted in accordance with [FAR 7](#), [ADS 300](#), [Agency Acquisition and Assistance \(A&A\) Planning](#), and [ADS 201, Planning](#). The Planner (as defined in ADS 300) must prepare a written acquisition plan for all cost-reimbursement and high-risk procurements following the policies and procedures in [ADS 300](#) and must use the Individual Acquisition Plan template for actions at or above \$10 million. [ADS 300](#) contains mandatory templates, policies and procedures on:

- Procurement Action Lead Time (PALT) for Agency awards;
- Board for Acquisition and Assistance Reform (BAAR) review procedures applicable to proposed actions that meet specific criteria; and
- Inherently Governmental Functions.

Special Note for Construction: In accordance with the policy in [ADS 221, USAID's Procedures for Implementing International Agreements for Tied and Untied Aid](#), USAID direct awards for construction and other procurements may be subject to untying requirements in the Development Assistance Committee (DAC) Recommendation (see [302.3.4.2](#)).

302.3.4.2 Applicability of the DAC Recommendation for Construction and Other Procurements Subject to Untying Requirements

Effective Date: 08/06/2013

Under the Development Assistance Committee (DAC) Recommendation, USAID is expected to untie (establish source/nationality Code 935 for) specified categories of goods and services with a value of 700,000 Special Drawing Rights (SDRs) or more to the least developed countries (LDCs). Per [ADS 221](#), under the current conversion rate between an SDR and a USD, the threshold is about \$1,100,000.

As stated in [ADS 221](#), the following categories of procurement actions are covered by the DAC Recommendation:

- Capital projects,
- Capital equipment,
- Capital-related supplies and services, and
- Discrete physical commodities.

Planners and COs must work with their cognizant GC/RLA to determine whether their procurement should be “untied” in accordance with [ADS 221](#), and if so, whether a waiver to authorize the Geographic Code 935 will be necessary. In accordance with the policy in [ADS 310](#), a waiver would be necessary for each untied procurement unless Code 935 is already authorized by virtue of an existing authority as set forth in either [ADS 310](#), or an applicable blanket waiver.

302.3.4.3 Source and Nationality for Procurement of Commodities and Services

Effective Date: 08/06/2013

USAID's Source and Nationality Regulation, [22 CFR 228](#) as supplemented by [ADS 310](#) and [ADS 312, Eligibility of Commodities](#), provides additional policy and required procedures to ensure that the procurements of commodities and services financed by USAID with program funds meet the requirements of the Foreign Assistance Act (FAA).

Procurement of goods and services for the administrative support of USAID offices in the United States and abroad financed with Operating Expense (OE) funds must be in accordance with [FAR Part 25](#), [AIDAR Part 725](#), and [ADS 330, Source Rules for](#)

Administrative Procurement. Specifically, such procurements are subject to the Buy America Act and/or to trade agreement provisions.

302.3.4.4 Contract Review Board (CRB)

Effective Date: 07/06/2012

a. Objectives of the CRB

The main objectives and expected benefits of the CRB are to:

- Assure the quality of USAID acquisition actions;
- Minimize the potential for sustainable protests and strengthen the Agency's position to the extent possible in the event of future claims;
- Provide a basis for strengthened mentoring and training of USAID staff; and
- Provide a process for communicating best practices.

The function of the CRB is to identify problems and recommend corrective actions for all proposed contract awards of \$25 million and above. Recommendations will be either mandatory or advisory depending on the nature of the problem.

CRB review policies, procedures, and parameters are contained in the [**ADS 302mao, Contract Review Board Guidelines**](#).

b. CRB Submission Requirements

All COs must submit any action with a total estimated contract award amount of \$25 million and above to the CRB. This includes limited competition contracts, but excludes sole source actions which are subject to a separate review and approval requirement (see **302.3.4.1**). Mission COs with warrants that are \$10 million or less are encouraged to submit all actions greater than \$10 million to the CRB for review, if they will be responsible for signing the award and do not have a Supervisory CO. Any CO may choose to submit a complex acquisition action of any dollar amount to the CRB, but must submit at the pre-solicitation stage, rather than requesting CRB review at a later stage.

COs must submit actions to the CRB at the following stages of the procurement process:

- Pre-solicitation,
- Competitive range determination (as applicable), and

- Pre-award.

The documents the CO must submit at each stage are provided in the [ADS 302mao, Contract Review Board Guidelines](#).

c. **Waivers**

The Agency Senior Procurement Executive (SPE) may waive the submission requirements in this section. The CO must submit a waiver request in writing to the SPE, with a copy to the CRB mailbox (crbmailbox@usaid.gov). The request must contain a detailed basis for the request. The SPE will make a final determination based on the CO's request and the CRB Chairperson's recommendation. The CO must include the written, signed waiver in the contract file.

302.3.4.5 Limiting Competition Effective Date: 08/06/2013

a. Justification and Approvals (J&As):

Federal statutes require that COs promote and provide for full and open competition in soliciting offers and awarding Government contracts ([FAR 6.1](#)). When properly justified and approved in accordance with [FAR 6.3](#), COs may award contracts without providing for full and open competition. However, COs must ensure that justification and approval documents (J&As, previously known as Justification for Other Than Full and Open Competition [JOFOCs]) are prepared and approved in accordance with [FAR 6.3](#). The only exception to the requirement for preparing and approving a J&A is when COs use the authority under the Agency pilot program for limiting competition to local entities (see section b. below).

A J&A is only required for an existing award when a proposed action triggers competition requirements. Competition may be required for modifications of existing contracts if there is a cardinal change to the contract (such as an increase to the total estimated amount of the award, a change to the Scope of Work, or an extension of the period of performance). For actions that involve any of these, Operating Units (OUs) and COs must consult with the cognizant RLA/GC (A&A) attorney.

Task Orders: COs must prepare a J&A (using either a FAR or AIDAR exception) to issue or modify a task order outside the scope of the Indefinite Quantity Contract (IQC), for example, awarding an order in an amount which exceeds the maximum ordering limitation (TEC) of the IQC, or extending the period of performance of a task order beyond the current IQC limits.

Gifted, non-appropriated funds: In accordance with Government Accountability Office (GAO) opinions, a J&A is required even in instances where gifted, non-appropriated funds are used to fund a non-competitive action, including task orders. (Gifted funds may be accepted as authorized under the Agency's gift authority in Foreign Assistance

Act section 635(d)— see [ADS 628, Gifts and Donations and Dollar Trust Fund Management](#) for more information). Such actions are excepted from the Administrator approval requirement as set forth in paragraph d. below.

b. AIDAR Authority to Limit Competition

[AIDAR 706.3](#) provides USAID-specific authority and procedures for awarding contracts using other than full and open competition. Exceptions to full and open competition using this authority, to include Administrator-approved expedited acquisition procedures for specific activities and programs and class determination and findings (D&Fs), must comply with this ADS section.

When AIDAR 706.302-70 foreign impairment authority is used, the CO must prepare and certify a J&A addressing all twelve elements as required under FAR 6.303-2(a). When AIDAR 706.302-70(b)(3) authority is used, the OU must process a Determination & Findings (D&F) as required by the AIDAR. The CO will prepare either the class or individual J&A to support each non-competitive award and attach it to the D&F; CO certification is not required. Expedited Acquisition and Assistance Procedures Action Memoranda (also referred to as Expedited Procedures Packages or EPPs) citing this AIDAR authority must use the D&F format as required by the AIDAR.

c. Competition Policy Related to the Source/Nationality Rules at 22 CFR 228 for USAID-Direct Program-Funded Awards

[22 CFR 228](#) and [ADS 310](#) require Agency program-financed procurements to be from Geographic Code 937 (the U.S., cooperating country and developing countries, excluding any country that is a prohibited source), Code 110, or Code 935. (See guidance at [22 CFR 228](#) and [ADS 310](#) for identification, applicability, and authority for use of each code).

When competition for a prime contract will be limited to a geographic source or nationality within the otherwise authorized Geographic Code, the Operating Unit must appropriately justify the reason for limiting competition. The limited competition must be approved in accordance with the policies of this section. Even if a limited Geographic Code is authorized for the prime award, the CO must include the otherwise applicable Geographic Code in the resulting contract for the procurement of commodities and services by the contractor.

For example, when the default authorized geographic code for USAID-direct procurements is Code 937, in order to limit competition to just one source or nationality within Code 937, e.g., just the U.S., the CO must ensure that a J&A is prepared and approved prior to such limitation of competition for the award of the prime contract. The CO must insert Geographic Code 937 as the authorized code in the resulting contract.

d. Administrator Clearance Requirement for Specific Non-competitive Actions

The Administrator must clear on all non-competitive extensions and new non-competitive awards as follows:

- Modifications: The action increases the total estimated cost of a current award by \$5 million or more for any of the same activities performed by the contractor, or
- New Awards: The action is a follow-on award of \$5 million or more and is for any of the same activities performed by the contractor under a previous award.

For those types of awards described above that are for Critical Priority Countries (CPCs), the threshold is \$20 million or more.

Applicability

This clearance requirement is applicable to all awards, including stand-alone contracts, single and multiple award IQCs and Task Orders, and General Services Administration (GSA) Schedule orders.

This requirement does not apply to:

- Transactions awarded under “Notwithstanding authority”
- Humanitarian and Disaster Assistance activities (OFDA)
- Transition Initiative Activities (OTI)
- Food Emergency activities (Food for Peace)
- Competitions limited to local entities
- Changes due to budget revisions when competitive procedures are not applicable
- Actions where the amount of appropriated funds do not exceed \$5,000,000 but the addition of non-appropriated funds gifted to USAID (see ADS 628) to the total amount of the contract action cause the modification or follow-on award to exceed \$5 million (\$20 million for CPCs).
- Awards made under the foreign impairment authority at AIDAR 706-302(b)(3)(ii) for an Administrator-approved class of contracts, for example, “HIV/AIDs Expedited Procedures Package (EPP).”

Procedures and Clearances

The cognizant Operating Unit or Activity Manager is responsible for preparing the [ADS 302mba, Mission or Bureau Action Memorandum for the Administrator](#) and

Text highlighted in yellow indicates that the material is new or substantively revised.

submitting it with the J&A in final form to the mailbox: JustificationsandA@usaid.gov at least six months prior to the anticipated award or amendment date. “Final form” means a CO-originated document addressing FAR Subpart 6.303-2(a)(1)-(12) and (b) content requirements which includes certification from the technical office and clearance from the Office of General Counsel (GC/A&A) or RLA. Exceptions to competition must not be justified on the basis of:

- Mobilization costs;
- Demobilization costs;
- A continuing relationship with the implementer;
- Lack of planning; or
- Concerns about the amount of funds available, such as expiring funds.

Before submitting the package to the JustificationsandA@usaid.gov mailbox, the cognizant Operating Unit or Activity Manager must obtain clearance from the Mission Director, if applicable and the Assistant Administrator of the Bureau having programmatic responsibility. The Mission Director/AA cannot re-delegate this authority.

The Agency Competition Advocate (ACA) and Senior Procurement Executive (SPE) must clear all Action Memoranda and J&As submitted to the JustificationsandA@usaid.gov mailbox before the Administrator reviews and clears the J&A.

All disputes not resolved by the SPE will be taken to the Board for Acquisition and Assistance Review (BAAR). The SPE will present the proposed action to the BAAR for guidance as to whether the proposed action should be submitted to the Administrator as originally proposed or be restructured in order to enhance competition.

e. Limiting Competition to Local Entities

- (1) Guidance for the pilot authority for limiting competition to local entities (Section 7077) applicable to new contracts not exceeding \$5 Million is provided in section c.(1) below.

The Sec. 7077 definition of local entities is provided at [ADS 302mbe, Local Competition Authority Pilot Program](#).

For locally limited competitions for awards over \$5 million, OUs must consult their RLA/GC before using the foreign impairment authority in the AIDAR (AIDAR 706.302-70). Solicitations and awards for these competitions must also use the full definition of local entities in Sec. 7077.

OUs may limit acquisition competition to local entities as long as market research indicates that at least three (3) local entities are capable of performing the work.

Special Provision: When limiting competition to local entities, COs must insert the special provision “Limitation on Subcontracting to Non-Local Entities,” from [ADS 302mas, Special Provisions for Acquisition](#), into solicitations and awards in accordance with **302.3.5.17, Awards Limited to Local Competition**.

(2) Pilot Authority for Limiting Competition to Local Entities (Section 7077).

USAID’s FY 2012 Appropriations Act provided authority for a pilot program that allows COs to limit competition to local entities if doing so would

- (a)** Result in cost savings;
- (b)** Develop local capacity; or
- (c)** Enable the Agency to initiate a program or activity in appreciably less time than if competition were not so limited.

The authority has been extended and applies to new contracts not exceeding \$5 million to be awarded using FY2013 or prior year funds. The pilot may be extended again by means of a future Appropriations Act; OUs and COs must consult with their GC/RLA before using the authority with funds made available after 2013.

COs are not required to prepare, approve, or post a J&A when using the new “Local Competition” authority; however, COs and OUs must work together to document the contract file. COs and client offices must use this new pilot authority in lieu of other authorities to limit competition for contract awards not exceeding \$5 million to local entities. Mandatory guidance for use of the new authority is provided at [ADS 302mbe, Local Competition Authority Pilot Program](#).

Special Provision: When using the “Local Competition” authority, COs must insert the special provision “Limitation on Subcontracting to Non-Local Entities,” from [ADS 302mas, Special Provisions for Acquisition](#), into solicitations and awards in accordance with **302.3.5.17, Awards Limited to Local Competition**.

f. Available Class J&As for Other Than Full and Open Competition

USAID COs overseas must procure certain goods or services on a recurring basis under specific conditions in which full and open competition is impractical. To expedite the procurement process for these recurring cases, the USAID Senior Procurement Executive approved two Class J&As, as described in the following Mandatory References. COs may use them provided they meet the Conditions for Use, including the certification and file documentation requirements specified in Section II of each Class J&A.

- (1) [ADS 302mal, Class Justification for Other Than Full and Open Competition for Overseas Contracts of \\$250,000 or Less and for Personal Services Contracts with U.S. Citizens Contracted with Locally, with CCNs and TCNs Subject to the Local Compensation Plan](#)
- (2) [Class Justification for Other than Full and Open Competition for Procurements by Missions of U.S. Manufactured Vehicles](#). This class justification deals only with competition; a source or nationality waiver may also be necessary if a U.S. manufactured vehicle is purchased from a local dealer.

g. J&A Templates and J&A Posting Requirements

- (1) J&A Templates

COs must use the [ADS 302max, Template for Justification and Approval for Other Than Full and Open Competition \(J&A\)](#). A separate J&A template is available at [ADS 302maw, Expedited Acquisition and Assistance Procedures Action Memoranda - Posting Procedures for Justifications & Approvals \(J&As\)](#) for Administrator-approved action memoranda for expedited A&A procedures (also referred to as Expedited Procedures Packages (EPPs) discussed in **302.3.4.5.b**).

See [ADS 302mau, Key Guidance Concerning Justifications and Approvals for Other Than Full and Open Competition](#) for additional guidance in preparing and submitting J&As in accordance with the policy in this section.

- (2) FAR Requirement to Post J&As on FedBizOpps.

[FAR 6.305](#) requires COs to make J&A documents publicly available 14 days after award (30 days for cases based on unusual and compelling urgency), except for information exempt from public disclosure. FAR 6.305(a) requires posting at both the Federal Business Opportunities (FBO) Web site (www.fedbizopps.gov) and on the Agency Web site, which may provide access to the justifications by linking to fedbizopps.gov. USAID has established such a link from its Internet Web

site directly to FBO to facilitate public access to the FBO J&A postings. Therefore, COs must post J&A documents on the FBO Web site but do not have to post to USAID's Internet Web site.

FAR 6.305 requires posting of J&As awarded using the statutory authorities set forth in FAR 6.302; however, AIDAR 706.302-70 "Impairment of foreign aid programs" provides Agency-specific authority for using other than full and open competitive procedures. As a matter of agency policy, J&As utilizing the authority under [AIDAR 706.302-70\(b\)\(3\) and \(b\)\(5\)](#) must also be posted in accordance with the requirement at FAR 6.305. This includes J&As issued under the authority of the Administrator-approved action memoranda for expedited A&A procedures (also referred to as Expedited Procedures Packages (EPPs), for example, the "Expedited Acquisition and Assistance Procedures for HIV/AIDs and Infectious Disease."

Templates and specific instructions for posting J&As issued under EPPs are available at [ADS 302maw, Expedited Acquisition and Assistance Procedures Action Memoranda - Posting Procedures for Justifications & Approvals \(J&As\)](#).

Per FAR 6.001, the FAR requirement for J&A public posting does not apply to non-competitive awards using "notwithstanding authority."

Clearance Requirement for J&As Prior to Posting

To ensure quality control of public postings, COs must submit all J&As for clearance to the mailbox: JustificationsandA@usaid.gov after obtaining all J&A clearances (including General Counsel (GC/A&A) or Regional Legal Advisor), but before signature by the J&A approval authority. J&As previously reviewed under section 302.3.4.1.a are excluded from this clearance requirement. The CO must send a signed copy of the scanned clearance sheet, showing all clearances, including Legal Counsel, to the J&A mailbox. The ACA will review the J&A and provide written clearance. ACA clearance will not be provided until COs adequately address any ACA comments identified as "mandatory."

In addition, careful screening of J&As is required to identify information that must be redacted, such as contractor personally identifiable information (PII), proprietary data, and any other sensitive data. The exemptions to disclosure of information contained in the [Freedom of Information Act \(FOIA\) \(5 U.S.C. 552\)](#), and the prohibitions against disclosure in [FAR 24.202](#) must be considered during this review. The CO is responsible for working with GC and USAID's FOIA Team (M/MS/IRD) to prepare the justification for public posting, as appropriate. See [FAR subpart 6.305\(e\)](#) for additional information and prohibitions.

No J&A documents may be processed for approval without obtaining the above-noted prior written clearances from both Legal Counsel and the ACA. The JustificationsandA@usaid.gov mailbox is the only authorized means for obtaining ACA, SPE, or Administrator clearance or approval.

302.3.4.6 Unsolicited Proposals

Effective Date: 07/01/2007

a. The Evaluation Division of the Office of Acquisition and Assistance is responsible for the policy directives and required procedures concerning unsolicited proposals. Detailed guidance on submission requirements and criteria for consideration for these proposals are found in [ADS 302map, Guidelines for Submitting Unsolicited Contract Proposals](#).

b. A Federal agency must not use any data, idea, or other part of an unsolicited proposal as the basis, or part of the basis, for a solicitation or in negotiations with another firm unless the offeror agrees to the use. However, this prohibition does not preclude using the same or similar data or ideas from an unsolicited proposal that is available without restriction from another source. An offeror may restrict the data included in its unsolicited proposal by marking the proposal with the legend set forth in [FAR 15.609](#).

302.3.4.7 Expediting Awards Made Under Section 8(a) of the Small Business Act

Effective Date: 07/01/2007

USAID and the U.S. Small Business Administration (SBA) have entered into a Partnership Agreement (PA) for expediting prime contract awards and purchase orders that are made under Section 8(a) of the [Small Business Act](#). For guidelines on the current PA, see [USAID Procedures for Partnership Agreement between SBA and USAID for Expedited 8\(a\) Awards](#).

302.3.4.8 Branding

Effective Date: 04/20/2006

In accordance with [ADS 320, Branding and Marking, Section 320.3.2](#), Development Objective Teams must provide the Contracting Officer with a branding strategy.

302.3.4.9 Organizational Conflict of Interest (OCI)

Effective Date: 04/20/2006

This section currently consists of the information in the referenced CIB. At a later time, USAID will incorporate it into this chapter.

[CIB 99-17, Organizational Conflict of Interest](#)

302.3.4.10 Indefinite Quantity Contracts – Exception for Small Businesses

Text highlighted in yellow indicates that the material is new or substantively revised.

Effective Date: 04/20/2006

This section currently consists of the information in the referenced AAPD. At a later time, USAID will incorporate it into this chapter.

AAPD 02-05, New Authority - Exception for Small Businesses under Indefinite Quantity Contracts (IQCs)

302.3.4.11 Logistic Support Overseas to USAID Direct Contractors

Effective Date: 04/20/2006

The policy directives and required procedures in this section supplement other regulations that govern the Agency's financing and provision of in-kind, logistic support overseas to USAID direct contractors. The policies support these Agency objectives:

- Increased use of contractors, in accordance with **section 621 of the Foreign Assistance Act of 1961, as amended (FAA)**;
- Reduced administrative burden on the USAID establishment in cooperating countries; and
- Maximized use of cooperating country funds or U.S. Government-owned local currency for local costs, rather than use of U.S. dollars, in accordance with **FAA section 636(h)**.

Missions must make every effort to foster the development of countrywide standards for the provision of logistic support to comparable classes of contractors. If a Mission provides logistic support, it must be at the minimum level necessary to ensure efficient, economical, and effective contractor performance.

a. Documents requesting logistic support overseas must indicate the following:

- (1)** Each type of logistic support to be made available, e.g., transportation of personnel, personal goods or commodities; quarters; furnishings; equipment; utilities; supplies for residence and office; maintenance; and, medical facilities.
- (2)** Whether each type of logistic support must be in cash or in-kind, and whether it will be provided by the cooperating country, the Mission, or the contractor itself.

The contracting office must ensure that the solicitation and contract for the logistic support reflects the information in the requesting document.

b. Financing of logistic support

Missions must use local currencies, in lieu of U.S. dollars, whenever feasible and in accordance with the financial management requirements in [ADS 624, Host Country-Owned Foreign Currency](#) to defray the costs of contractor logistic support. This requirement applies regardless of whether the contractor, the cooperating country, or USAID arranges the support. Local currencies used to finance logistical support overseas must come from the following sources, listed here in descending order of preference:

- (1) The cooperating country's own budgetary or private resources,
- (2) Cooperating country-owned local currency that USAID or [Pub. L. 480](#) programs generate, and
- (3) U.S. Government-owned country-use local currency that USAID or [Pub. L. 480](#) programs generate.

Missions may use USAID dollars to finance logistic support overseas only when no reasonable alternative exists by which such support can be financed with local currency or provided in-kind.

c. Arrangements for logistic support

When arranging for logistic support overseas, each Mission must assess the local situation and determine which of the following three methods of providing that service, listed in descending order of preference, is best suited for its programs:

- (1) Arrangements by the contractor itself, when feasible and reasonably economical. (It is assumed that this method will apply in the case of virtually all construction contracts and most of the larger engineering and technical assistance contracts.)
- (2) Arrangements by the cooperating country, when timely, adequate, and feasible in terms of the country's economic and administrative resources.
- (3) Arrangements by the Mission alone or jointly with either or both of the other parties, where the Mission Director determines that adequate and timely logistic support at reasonable cost cannot be ensured through other options. In such cases, and when direct-hire resources are inadequate, the Mission is encouraged, if feasible, to contract for assistance in providing logistic support. M/OAA and the General Counsel provide guidance on logistic support contracts as necessary.

d. Exceptions

Only the Mission Director, principal USAID officer at post, or the individual serving in an acting capacity as the senior Mission staff member may approve exceptions to the

policies in this section for the Mission. Mission staff must justify exceptions and request approval in writing for them.

302.3.4.12 Grants Under Contracts (GUCs)

Effective Date: 08/06/2013

Subject to the conditions discussed below, the Contracting Officer (CO) may enter into a direct contract that allows the contractor to execute grants with non-governmental organizations (non-profits or for-profits).

- a. This Grants Under Contracts (GUCs) authority is allowable only after the following clearance and approval have been obtained:
 - (1) Clearance from the cognizant General Counsel or Regional Legal Advisor and the CO, then
 - (2) Approval in writing from the Head of the Contracting Activity (HCA) for the specific contract for which it would be allowed.
- b. The grant program under the GUCs authority must meet the following conditions:
 - (1) The total value of an individual grant to a U.S. organization must not exceed \$100,000. (This limitation does not apply to grant awards to non-U.S. organizations.)
 - (2) It is not feasible to accomplish USAID objectives through normal USAID contract and grant awards because either
 - (a) Executing a number of small grant activities is particularly difficult for the responsible USAID Mission or office, or
 - (b) The grant program is incidental and relatively small in comparison to the other technical assistance activities of the contractor.
 - (3) USAID must be significantly involved in establishing the selection criteria and must approve the recipients. USAID may be less significantly involved when grants are quite small and are incidental to the contractor's technical activities.
 - (4) USAID must ensure that the requirements that apply to USAID-executed grants (including the agency policies regarding construction activities in ADS 303, Grants and Cooperative Agreements to Non-Governmental Organizations, applicable standard provisions in ADS 303, and ADS 308, Awards to Public International Organizations) are also applied to grants that a USAID contractor executes.
 - (5) USAID must retain within the contract the ability to terminate the grant activities unilaterally in extraordinary circumstances.

Text highlighted in yellow indicates that the material is new or substantively revised.

USAID does not authorize contractors to execute or administer cooperative agreements on its behalf. Nor does USAID require HCA approval when a contractor will only be managing or administering grants already awarded by USAID.

302.3.4.13 Information System Security

Effective Date: 07/01/2007

Information system security (ISS) is the protection of the integrity, availability, and confidentiality of automated information and the resources used to enter, store, process, and communicate the information. [ADS 545, Information Systems Security](#) details the security policies, consistent with Federal regulations, mandates and directives that serve as the highest-level basis for USAID ISS.

In accordance with the [ADS 302mah, Contract Clause Guide for Unclassified Information System Security Systems and Services](#), Contracting Officers must ensure that appropriate ISS requirements are accurately specified, funded, and enforced for all USAID ISS acquisition, operation, and maintenance contracts under their supervision. The guide provides procedures for including ISS requirements in the acquisition of information systems and services.

This guide applies to all contracts, regardless of the source of funding, when the contracted systems or services will be connected to, or require the use of, a USAID general support system (GSS) in USAID/W or at the Missions. USAID staff may also apply the guide whenever a requestor, an acquisition or contracting authority, or the cognizant designated Information System Security Office (ISSO) believes it would be in the best interest of protecting USAID's information systems.

302.3.4.14 Implementation of Section 508 of the Rehabilitation Act of 1973

Effective Date: 07/01/2007

[Section 508 of the Rehabilitation Act](#) requires that Federal electronic information technology (EIT) be accessible according to standards developed by the Access Board, an independent Federal agency charged with accessibility for people with disabilities. These standards cover a variety of products, including computer hardware and software, Web sites, phone systems, fax machines, copiers, and similar technologies. [FAR 39.2](#) implements **Section 508** for direct contracts.

For any procurement actions that include qualifying EIT, Contracting Officers must ensure that the requesting office provides in the purchase request a determination that the requirement is qualifying EIT as defined by **Section 508**. Procurement actions include, but are not limited to, contracts, task orders, delivery orders, and purchase orders. The determination must be provided even if the EIT is an incidental component of a technical assistance services contract. Guidance for acquisition considerations of EIT is available from [ADS 302mak, USAID Implementation of Section 508 of the Rehabilitation Act of 1973](#).

302.3.4.15 Designation of the Contracting Officer's Representative (COR)

Effective Date: 08/06/2013

A Contracting Officer's Representative (COR) assists in the technical monitoring or administration of a contract. The COR role is a designation that is specific to a particular individual for the specified award. This authority is independent of any other roles, responsibilities, and duties the designee may fulfill in his or her technical capacity.

Contracting Officers (COs) must comply with [FAR Part 1.6](#) and follow the policy directives and required procedures below when designating a COR for a contract (including individual task orders under indefinite quantity contracts). Fixed price supply contracts, Personal Services Contracts (PSCs) (see AIDAR Appendix [D](#) & [J](#) for applicable information), and interagency agreements (see [ADS 306, Interagency Agreements](#)) do not require a COR.

The CO must **designate** the COR (and alternate if applicable) as early in the acquisition process as practical. The CO may not finalize a contract (including task orders), until after they have signed the COR designation letter in accordance with the [ADS 302mar, Model Letter and Procedures for Designating the Contracting Officer's Representative \(COR\) for Contracts and Task Orders](#) and received the signed COR acknowledgement. **At the time of the award, the CO must identify the COR by name in the relevant section of the award and enter the COR's name in the Global Acquisition and Assistance System (GLAAS). When the award is executed, the CO must distribute the designation letter as appropriate, including sharing a copy of the letter with the contractor and maintaining the signed letter in the contract file.**

In the event the COR changes during the period of the award, the CO must re-issue the designation letter to the new COR, prepare a unilateral modification in GLAAS to update the COR designation, provide a copy of the signed designation letter along with the modification to the contractor, and maintain a signed copy in the award file.

a. Eligibility

In order to be eligible for designation as a COR or an alternate COR, the appointee must:

- Have a direct employee–employer relationship with the U.S. Government that allows him or her to perform inherently governmental functions. COR eligibility is not based on the program which brought the individual into the Agency (for example, Fellows or Participating Agency Service Agreements (PASA), but on the individual's employment status). They must work for USAID as a(n):
 - Direct-hire employee,
 - Employee of another U.S. Government agency through an interagency agreement or on detail, or

Text highlighted in yellow indicates that the material is new or substantively revised.

- PSC (U.S. citizen, Foreign Service National or Third Country National).
- Be certified prior to designation through the Agency's mandatory training and certification program requirements specified in paragraph “b” of this section.
- Possess experience commensurate with the responsibilities to be delegated.

b. Certification and Training Requirements

The Office of Human Resources, Training and Education (HR/TE), in coordination with M/OAA, established a COR/Agreement Officer's Representative (AOR) certification program. Specific certification requirements are outlined in [ADS 458, Training and Career/Professional Development, Section 458 .3.5.5 \(b\)](#) and include successful completion of:

- Web-based Phoenix Accruals online course, and
- A&A 104: Acquisition and Assistance Management for CORs and AORs.

CORs must maintain their certification through the completion of 40 hours of continuous learning every two years in accordance with the Office of Management and Budget memorandum entitled “The Federal Acquisition Certification for Contracting Officer Representatives (FAC-COR)” dated November 26, 2007.

Exceptions

- (1) In exceptional circumstances, the Office of Acquisition and Assistance, Evaluation Division, may authorize the designation of an uncertified individual as a COR for a contract at USAID/W for a period of up to six months; the Mission Director may do the same in the field. If a nominating office requests approval of such a COR designation, the request must include:

- A description of the compelling circumstances requiring the exception,
- Affirmation that the individual has completed the Phoenix Accruals online course, and
- Confirmation from the individual's supervisor that the individual will complete COR certification within six months.

Extension of the exception beyond six months can only be approved by the Director of M/OAA. The exception may not last more than one year in total.

(2) The following individuals may be designated as CORs without completion of the COR/AOR certification program:

- Warranted Contracting/Agreement Officers,
- Procurement Management Certification Program certified individuals, and
- Those possessing a current Federal Acquisition Certification in Contracting (FAC-C).

However, they must still complete the Web-based Phoenix Accruals online course before they are designated as CORs.

c. Issuing the COR Designation Letter

COs must use the Standardized Designation Letter to appoint a COR to perform contract or task order administrative responsibilities and authorities. The standardized letter is provided in [ADS 302mar, Model Letter and Procedures for Designating the Contracting Officer's Representative \(COR\) for Contracts and Task Orders](#). COs must use the standardized letter essentially as written, but some tailoring of the letter is acceptable as long as it does not affect the substance.

The CO may also designate an alternate COR to perform COR duties during the absence of the COR. The alternate must meet the COR certification requirements and be appointed by designation letter, preferably the same letter as the COR.

By issuing a designation letter, the CO confirms that he or she has verified the appointee's eligibility, including his or her certification status.

d. Limitations to the Designation

COR authority does not include directing the contractor, either in writing or verbally, or otherwise committing to changes that affect price, quality, quantity, delivery or other terms and conditions of the contract. Only a CO has the authority to take such actions.

CORs may ask others to conduct fact-finding, provide analyses or interpretations of technical requirements, and make recommendations, among other assistance that may be sought. However, the COR remains accountable for the responsibilities delegated to him or her.

Finally, the COR cannot further delegate his or her authority. If neither the COR nor the alternate is available to perform their duties, the COR must direct the contractor to the CO for guidance. No other individuals are authorized to provide

direction to the contractor, approve contractor payment requests or accept work products.

The Standardized Designation Letter further states the specific limitations of the COR designation.

e. Rescission/Expiration of a COR Designation Letter

The COR designation is effective for the duration of the contract unless otherwise specified or rescinded. COs have the authority to rescind a designation letter at any time if an individual's performance as a COR is unsatisfactory. For example, if an individual fails to perform his or her duties and responsibilities or if an individual exceeds his or her authority as specified in the designation letter, the CO may exercise this rescission authority. Specific examples of circumstances that might warrant rescinding a COR designation include the COR's failure to adequately monitor the available funding on a contract or to address contractor performance fairly, comprehensively, and promptly when tasked with Contractor Performance Assessment Reports. COs must rescind a designation letter and appoint a new COR if the COR:

- Is assigned to a new post or position unrelated to the contract, or
- Has not completed the certification program within six months of his or her designation (only applicable to those CORs who have an exception to the certification policy), unless the Director of M/OAA authorizes an extension. If a COR has not completed the certification program within one year of his or her designation, the CO must rescind the designation letter with no further exception.

302.3.5 Solicitation Requirements and Provisions

Effective Date: 07/01/2007

When preparing solicitations, Contracting Officers must adhere to the policies and corresponding solicitation clauses and provisions of this section, when applicable.

302.3.5.1 Branding

Reserved.

302.3.5.2 Standardization of Indefinite Quantity Contracts (IQCs)

Effective Date: 04/20/2006

This section currently consists of the information in the referenced AAPD. At a later time, USAID will incorporate it into this chapter.

[AAPD 02-12, Standardizing USAID Indefinite Quantity Contracts](#)

302.3.5.3 Indefinite Quantity Contracts (IQCs) – Exception for Small Businesses

Effective Date: 04/20/2006

This section currently consists of the information in the following referenced AAPD. At a later time, USAID will incorporate it into this chapter.

[**AAPD 02-05, New Authority – Exception for Small Businesses under Indefinite Quantity Contracts \(IQCs\)**](#)

302.3.5.4 Key Personnel

Effective Date: 07/01/2007

Contracts must designate as key personnel only the following:

- Those personnel directly responsible for management of the contract, or
- Those personnel whose professional and technical skills are certified by the requiring office as being essential for the successful implementation of the contract activity.

a. Number of Key Personnel

The number of key personnel designated for any contract must not be more than five individuals or five percent of the contractor employees working under the contract, whichever is greater.

b. Multiple Candidates

Contracting Officers (COs) must not require that contractors propose more than one individual for each key personnel position, since requiring contractors to do so for USAID's approval is inappropriate. USAID is not entitled to select an employee for the contractor, only to refuse a contractor's selection when the individual is found to be unacceptable for sufficient reasons.

c. Sample Solicitation Provisions

(1) Availability of proposed key personnel

Where the qualifications of key personnel are a significant evaluation factor in the award of a contract, the CO must be reasonably assured that the offeror has submitted the names of the proposed key personnel in good faith. To this end, the solicitation document must include language substantially as follows:

The contract proposed by this solicitation includes a key personnel clause, and the quality of key personnel proposed will be an evaluation factor. The offeror must include as part of its proposal a

Text highlighted in yellow indicates that the material is new or substantively revised.

statement signed by all individuals proposed as key personnel, confirming their present intention to serve in the stated position and their present availability to serve for the term of the proposed contract.

(2) Contracting Officer consent to replace key personnel

The key personnel provision in the contract must require the prior consent of the CO for any changes in key personnel, to ensure that replacements possess at least equal qualifications. Sample language for this provision follows:

“Key Personnel”

- A. The key personnel that the Contractor must furnish for the performance of this contract are as follows:

| | | | |
|---------------------|-------|---|-------|
| Name/Position Title | _____ | / | _____ |
| Name/Position Title | _____ | / | _____ |
| Name/Position Title | _____ | / | _____ |
| Name/Position Title | _____ | / | _____ |
| Name/Position Title | _____ | / | _____ |

- B. The personnel specified above are considered to be essential to the work being performed hereunder. Prior to replacing any of the specified individuals, the Contractor must notify both the CO and the COR reasonably in advance and submit written justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No replacement will be made by the Contractor without the written consent of the CO.

302.3.5.5 Reporting on Taxation of U.S. Foreign Assistance

Effective Date: 07/01/2007

Section 579 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of FY 2003 requires certain steps to prevent countries from imposing taxes [defined as Value Added Tax (VAT) or custom duties] on U.S. foreign assistance, or if imposed, requires the countries to reimburse the assessed taxes. The Department of State has published guidance for implementing this section of the Act. The Act requires certain reporting to Congress. Contracting Officers (COs) must insert the provision “Reporting of Foreign Taxes” found in **ADS 302mas, Special Provisions for Acquisition** in all contracts that obligate fiscal year 2003 or later funds, except for the following:

- Contracts funded with Operating Expense or **Pub. L. 480** funds, or

- Contracts where there will be no commodity transactions in a foreign country over the amount of \$500.

The provision specifies that the contractor must submit certain reports to the Contracting Officer's Representative, with copies to the relevant Embassy, the Mission, or the Office of the Chief Financial Officer, Cash Management and Payments Division.

302.3.8.8 provides guidance to COs on the appropriate office to be specified in the provision.

302.3.5.6 Grants Under Contracts (GUCs)

Effective Date: 08/06/2013

- a. If the Head of the Contracting Activity (HCA) provides written approval per **302.3.4.12**, the Contracting Officer (CO) may enter into a contract that provides for a USAID direct contractor to execute grants with non-governmental organizations (non-profits or for-profits).
- b. Under this scenario, COs must
 - (1) Ensure that the requirements that apply to USAID-executed grants (including the agency policies regarding construction activities in **ADS 303** and applicable standard provisions in **ADS 303** and **ADS 308**) are also applied to grants that a USAID contractor executes,
 - (2) Ensure that the contract provides USAID the ability to
 - (a) Terminate the grant activities unilaterally in extraordinary circumstances, and
 - (b) Require significant USAID involvement in establishing selection criteria and approving the selection of the grant recipients, as required by **302.3.4.12**.
- c. Further information on the requirements for HCA approval is in **302.3.4.12**.

302.3.5.7 The Government Cost Estimate in Negotiated Procurements

Effective Date: 04/20/2006

The Contracting Officer (CO) must not include the Government cost estimate in a competitive solicitation or a Request for Task Order Proposals. However, solicitations for completion form cost-reimbursement contracts may state the magnitude of the requirement in terms of an estimated price range. COs may not include estimated price ranges in solicitations for a cost-reimbursement term (LOE) contract.

302.3.5.8 Defense Base Act (DBA) Insurance

Effective Date: 07/01/2007

Defense Base Act (DBA) insurance is worker's compensation coverage for employees injured while working on a U.S. Government contract performed outside the U.S. [FAR 28.305](#) requires DBA coverage for employees performing contracts approved or financed under the [Foreign Assistance Act of 1961 \(Pub. L. 87-195\)](#). Contracting Officers (COs) must include both [FAR 52.228-3, Workers' Compensation Insurance \(Defense Base Act\)](#) and the supplemental [AIDAR 752.228-3, Worker's Compensation Insurance](#) (Defense Base Act) in each contract, unless the Department of Labor (DOL) approves a blanket waiver of coverage.

USAID awards a contract for DBA coverage for USAID direct and host country contractors. The contract includes a provision for the periodic adjustment of the basic rate. Contractor information and updated rates are announced through [Acquisition and Assistance Policy Directives \(AAPDs\)](#). COs should consult the most recent AAPD for current rates and coverage.

For further explanation of DBA insurance, as well as information on blanket waivers of coverage, see [ADS 302sap, Guidelines for DBA Coverage for Direct and Host Country Contracts](#).

302.3.5.9 Nondiscrimination

Effective Date: 07/12/2012

Most Federal contractors are prohibited by law and regulation from discrimination with regard to race, color, religion, sex, national origin, disability, age, genetic information, or veteran status when work under their contract is performed in the U.S. or employees are recruited from the U.S. The requirements applicable to Federal contracts are found in FAR Part 22—application of labor laws to government acquisitions and the clauses in FAR Part 52.227.

Additionally, while not a mandatory requirement, the Agency encourages all organizations performing under USAID contracts, including those performed solely overseas, to apply these same standards of nondiscrimination to other bases, including sexual orientation, gender identity, pregnancy, and any other conduct that does not adversely affect performance, subject to applicable law.

Contracting officers must include the provision “Nondiscrimination” in all solicitations and contracts. This provision contains non-mandatory language that encourages contractors to establish comprehensive nondiscrimination policies for their workplaces.

302.3.5.10 Organizational Conflict of Interest (OCI)

Effective Date: 04/20/2006

This section currently consists of the information in the referenced CIB. At a later time, USAID will incorporate it into this chapter.

Text highlighted in yellow indicates that the material is new or substantively revised.

CIB 99-17, Organizational Conflict of Interest

302.3.5.11 Implementation of Section 508 of the Rehabilitation Act of 1973

Effective Date: 07/01/2007

Where an office determines that its purchase request qualifies as electronic information technology (EIT), as defined by [Section 508 of the Rehabilitation Act of 1973](#) (see section **302.3.4.10**), Contracting Officers must refer to [ADS 302mak, USAID Implementation of Section 508 of the Rehabilitation Act of 1973](#). This document provides detailed guidance and required language for use in developing solicitations and contracts that are subject to Section 508 requirements.

302.3.5.12 Information System Security

Effective Date: 07/01/2007

Information system security (ISS) is the protection of the integrity, availability, and confidentiality of automated information and the resources used to enter, store, process, and communicate the information.

The [ADS 302mah, Contract Clause Guide for Unclassified Information System Security Systems and Services](#) provides guidance on including ISS requirements in the acquisition of information systems and services.

Additional information on ISS can be found in **302.3.4.9**.

302.3.5.13 Access to USAID Facilities and USAID's Information Systems

Effective Date: 08/06/2013

In response to the general threat of unauthorized access to Federal Government physical facilities and information systems, the President in 2004 issued [Homeland Security Presidential Directive \(HSPD\) 12](#).

- (a) In accordance with HSPD-12, USAID must include implementation of [Federal Information Processing Standards, Publication Number 201 \(FIPS PUB 201\)](#), as amended, and [OMB guidance M-05-24](#), as amended, in solicitations and contracts that require the contractor to have routine physical access to a Federally-controlled facility or routine access to a Federally-controlled information system. (For more information on the requirements of HSPD-12, see [FAR Case 2005-15](#), [FAR 4.1303](#), and the [USAID HSPD-12 Program](#).)
- (b) Accordingly, Contracting Officers (COs) must insert [FAR Clause 52.204-9, Personnel Identity Verification of Contractor Personnel](#) and the provision "Access to USAID Facilities and USAID's Information Systems" found in [ADS 302mas, Special Provisions for Acquisition](#), in all solicitations and contracts that contain [FAR 52.204-9\(a\)](#) and which require the contractor to have routine

physical access to USAID-controlled facilities or have logical access to USAID's information systems.

As specified in the provision, the contractor (typically through its Facilities Security Officer) must return the identification cards (including the Personal Identity Verification [PIV] card/Facility Access Card [FAC]) and remote authentication token to the COR at the conclusion of the contract or upon termination of the individual's employment. The COR, in turn, must return the identification cards to the Office of Security (SEC) and the remote authentication token to the B/IO Administrative Management Staff (AMS).

302.3.5.14 Supporting USAID's Disability Policy in Contracts

Effective Date: 08/06/2013

USAID's [Disability Policy Paper](#) articulates the Agency's commitment to advocate for, outreach to, and include of people with physical and mental disabilities, to the maximum extent feasible, in the design and implementation of USAID programming. The Policy Paper also provides guidance for making that commitment operational.

- a. COs must insert the provision "USAID Disability Policy" found in [ADS 302mas, Special Provisions for Acquisition](#) in Section H of all Requests for Proposals (RFPs) and resulting contracts.
- b. Accessibility Standards for USAID Construction Contracts. The Agency developed a provision setting forth its objectives for accessibility standards in USAID-financed construction. The provision requires the Contracting Officer (CO)'s sign-off where compliance with accessibility standards is technically infeasible or presents an undue burden. To issue this approval, the CO must first obtain a waiver (see **302.3.6.11** for details). The CO must also insert the clause "[ADS 302mas, Standards for Accessibility for the Disabled in USAID Construction Contracts](#)" in solicitations and resulting contracts for construction or renovation using Agency program funds.

302.3.5.15 Incorporating Gender Issues into Solicitations

Effective Date: 04/25/2011

USAID must address gender issues in all USAID-funded activities (see [ADS 201](#) and [ADS 205, Integrating Gender Equality and Female Empowerment in USAID's Program Cycle](#)). For solicitations, such as Requests for Proposals (RFPs) and Requests for Task Order Proposals (RFTOPs), the Contracting Officer (CO) must ensure that the requiring office integrated gender issues in the procurement request or provided the rationale, as approved in the Project Appraisal Document, for why gender is not an issue for the particular activity to be implemented through the requested contract action (see [ADS 201](#)).

When the procurement request integrates gender issues into the different contract performance components, e.g., Statement of Work, project deliverables, key personnel qualifications, and monitoring and evaluation requirements, the CO must work with the technical office to ensure that the technical evaluation criteria (e.g., technical understanding and approach, monitoring and evaluation, personnel, etc.) correspond to these contract performance requirements. Within these major evaluation criteria, however, gender issues should not be separate subcriteria with maximum possible points assigned to them, since this dilutes their significance.

If the procurement request does not comply with the requirement in [ADS 201](#) and [ADS 205](#) to either include contract performance and qualification requirements that reflect gender issues or the rationale for why gender is not an issue for the particular contract action, then the CO will notify the requiring office that he or she is unable to take any further action on the request until the office meets one of the requirements.

For technical assistance and additional guidance, consult the USAID Mission, Office or Bureau gender specialist or the Office of Gender Equality and Women's Empowerment (GenDev) in the Bureau for Economic Growth, Education and the Environment (E3).

302.3.5.16 Incorporating Conscience Clause Implementation into Acquisition Solicitations, Awards and Amendments

Effective Date: 07/12/2012

- (a) [AAPD 12-04](#) provides a contract clause that is to be included in contracts that obligate (in the case of solicitations) FY04-FY13 funds made available for HIV/AIDS activities, regardless of the program account.
- (b) This section currently consists of the information in the referenced AAPD. At a later time, USAID will incorporate it into this chapter.

302.3.5.17 Awards Limited to Local Competition

Effective Date: 07/31/2012

When limiting competition to local entities (see **302.3.4.1.b**), Contracting Officers (COs) must insert the provision "Limitation on Subcontracting to Non-Local Entities" from [ADS 302mas, Special Provisions for Acquisition](#) in the solicitation and resulting contract.

302.3.5.18 Prohibition on USAID-Specific Experience Requirements in Evaluation Criteria

Effective Date: 07/01/2007

Agency policy prohibits the use of "prior USAID experience" of an offeror as a minimum qualification, selective factor, or evaluation criteria when awarding contracts. This prohibition applies both to the evaluation of technical qualifications and experience of the offerors, as well as to key personnel such as program managers, contract managers, and technical experts.

If used, the phrase “relevant work experience” will not be construed as being limited to USAID experience; rather, it will mean significant, related skills or knowledge in the desired sector, type of program, development activity, or specific area of professional expertise, as described in the solicitation.

Examples of appropriate language to include in solicitations to determine relevant work experience include the following:

a. Key personnel

Minimum qualification requirements:

- (insert # of years) relevant work experience
- (insert # of years) experience relevant to the scope of work
- (insert # of years) experience in international economic development (or other specific expertise)

b. Corporate experience

Evaluation criteria/Selective factors:

- Depth and breadth of relevant work experience
- Relevance of prior experience to the Statement of Work

302.3.5.19 USAID-Financed Third Party Web Sites

Effective Date: 08/06/2013

A third-party Web site is a site, including a project Web site, which is hosted on environments external to USAID boundaries and not directly controlled by USAID policies and staff, except through the terms and conditions of a contract (See [ADS 545](#)).

COs must insert the provision “USAID-Financed Third-party Web Sites” found in [ADS 302mas, Special Provisions for Acquisition](#) in all USAID-funded solicitations and contracts that require development and/or maintenance of a third-party Web site to achieve project implementation goals.

If the contract includes a requirement to develop and/or maintain a project Web site, which is defined as a third-party Web site, the COR must coordinate with the Bureau for Legislative and Public Affairs (LPA) for appropriate guidance (See [ADS 557, Public Information, Section 557.3.4.1](#) and [Standalone Websites Financed Under USAID Acquisition Instruments](#).) The COR also serves as a liaison between the contractor and the Chief Information Security Officer (CISO), maintains a record of all approvals/clearance obtained and/or required contractor reports filed in the COR file, and informs the CO of any non-compliance with the contract requirements pertaining to be Web site development, launch, or maintenance.

302.3.5.20 Conference Costs and Required Approvals

Effective Date: 08/06/2013

[ADS 580, Conference Planning and Attendance](#), provides the Agency policy directives and required procedures for conferences funded in whole or in part by USAID and the attendance of USAID employees at conferences sponsored by others. The policy is applicable to conferences funded with USAID operating expense and program funds (including those hosted by contractors) with certain exceptions that are contained in [ADS 580](#). A conference is defined as a seminar, meeting, retreat, symposium, workshop, training activity or other such event that requires temporary duty travel by USAID employees. For the purpose of this policy, an employee is defined as a U.S. direct hire, personal services contractor, including U.S. PSC, Foreign Service National (FSN)/Cooperating Country National (CCN) and Third Country National (TCN), or federal employee detailed to USAID from another government agency.

When the requirement for a USAID-funded conference, as defined above, is included in the Statement of Work, the CO must incorporate into the award the provision entitled “Conference Planning and Required Approvals” found in mandatory reference [ADS 302mas, Special Provisions for Acquisition](#).

If all the required data is available at the time of award, the Mission or B/IO requesting office is required to obtain the appropriate Agency approvals and provide such approvals to the CO to be incorporated in the award.

If all the required data is not available at the time of award, prior to committing any conference related costs, the contractor must submit a request for approval of the conference to the COR in accordance with the provision entitled “Conference Planning and Required Approvals.” The COR is responsible for obtaining the required agency approvals and providing such approval to the contractor in writing.

302.3.6 Pre-Award Requirements

Effective Date: 04/20/2006

This section provides policy directives and required procedures governing the acquisition process prior to award.

302.3.6.1 Composition of Technical Evaluation Committees (TECs)

Effective Date: 02/24/2009

The selection of Technical Evaluation Committee (TEC) members must be made in accordance with the following:

- a. USAID staff (direct-hires, Personal Services Contractors (PSCs), and Participating Agency Services Agreement (PASA) direct-hire employees) must constitute a majority of the membership on all TECs. Evaluators from other Federal agencies and non-governmental evaluators, including fellows, may participate, provided that they comply with any applicable requirements for, or

Text highlighted in yellow indicates that the material is new or substantively revised.

limitations on, their participation as stated in this chapter, [FAR Parts 3 and 15](#), and [AIDAR Part 715](#).

- b. Contracting Officers (COs) must take reasonable precautionary steps to avoid the conflicts of interest arising on the part of technical evaluation team members. One step is to verify with TEC members that they, their spouse, and their dependents do not have connections, such as financial interests, with any of the offerors prior to commencing evaluations. COs must refer any potential problems to their cognizant Regional Legal Advisor for any action overseas and to the Assistant General Counsel for Ethics and Administration for any USAID/W action.
- c. As required in [AIDAR 715.305\(c\)](#), a Non-Governmental Evaluator or an Evaluation Assistance Contractor participating in a technical evaluation must sign a [Certification and Agreement for the Use and Disclosure of Proposals \(ADS 302sae\)](#), which states that they will safeguard the proposals and information in them and that they perceive no actual or potential conflict of interest.

302.3.6.2 Dissemination of Cost Proposal Information to TECs in Negotiated Procurements

Effective Date: 04/20/2006

- a. Contracting Officers (COs) may provide cost information from proposals to members of a TEC during the source selection process, as described in paragraph b. of this section. This constitutes the Agency procedures required under [FAR 15.305\(a\)\(4\)](#).
- b. The decision to provide proposal cost information to TEC members rests with the CO, who may request TEC input as part of the cost realism analysis required in [FAR 15.404-1\(d\)](#). While the CO has considerable discretion as to how much, when, to whom, and even if cost information is to be provided, he or she must consider the following guidelines and document the decision in the negotiation file:
 - (1) If the cost proposals vary significantly either from the Government estimate or in comparison to each other, then the TEC may assist in analyzing the discrepancies. While there may be circumstances in which the entire cost proposal is provided to the TEC, in many cases, only certain components of the cost proposals need to be provided; for example, in-country housing costs, number of trips and their duration, and the proposed level and distribution of effort under completion-form contracts.
 - (2) The preferred timing for the CO to share cost information with the TEC is after the initial technical assessment and scoring has taken place, but early enough in the process to ensure adequate attention to discrepancies and questions during negotiations. The CO may also share with the TEC

any revisions to cost proposals resulting from negotiations, if, in the CO's judgment, doing so aids the analysis of the revisions.

- c. When sharing cost information, the CO does not have to do so with all members of the TEC. After discussion with the TEC Chair, the CO decides who, among the other members, is best able to provide relevant analysis of the cost information.

302.3.6.3 Evaluation and Use of Contractor Past Performance and Integrity Information (CPII)

Effective Date: 01/14/2013

[FAR Subpart 15.3](#) states the requirements for COs to consider contractor past performance information in all source selections for negotiated competitive acquisitions expected to exceed the simplified acquisition threshold. [FAR Subpart 9.1](#) prescribes policies, standards, and procedures for making responsibility determinations for prospective contractors and subcontractors. The Subpart requires COs to consider the information in Federal Awardee Performance and Integrity Information System (FAPIS) and other past performance information (see [Subpart 42.15](#)) when making these determinations. The Agency policy and procedures for using CPII is provided in [ADS 302mbh, Policy Guide for Assessment and Use of Contractor Performance and Integrity Information](#).

302.3.6.4 Branding

Reserved

302.3.6.5 Pre-award Audits and Surveys

Effective Date: 04/20/2006

This section currently consists of the information in the referenced CIB. At a later time, USAID will incorporate it into this chapter.

[CIB 92-16, Pre-award Audits and Surveys](#)

302.3.6.6 Non-Expendable Property (NXP)

Effective Date: 04/20/2006

This section currently consists of the information in the referenced CIB. At a later time, USAID will incorporate it into this chapter.

[CIB 92-25, Non-Expendable AID-Owned Property in Contractor's Custody](#)

302.3.6.7 Classified Contract and Contractor Security Requirements

Effective Date: 04/20/2006

This section currently consists of the information in the referenced AAPDs/CIBs. At a later time, USAID will incorporate them into this chapter.

[CIB 98-23, Guidance Regarding Classified Contract Security and Contractor Personnel Security Requirements](#)

[AAPD 02-12, Standardizing USAID Indefinite Quantity Contracts](#)

302.3.6.8 Negotiation of Indirect Cost Rates

Effective Date: 04/20/2006

This section currently consists of the information in the referenced CIB. At a later time, USAID will incorporate it into this chapter.

[CIB 92-17, Indirect Cost Rates](#)

302.3.6.9 Determining Profit and Fee Objectives

Effective Date: 04/20/2006

USAID must use a structured approach, like the [FAR](#) describes and requires, for the determination of pre-negotiation profit or fee objectives. USAID Contracting Officers may use another agency's structured approach as appropriate.

302.3.6.10 USAID Contractor Salary Threshold (USAID CST)

Effective Date: 07/01/2007

The USAID Contractor Salary Threshold (CST) sets a maximum rate on salaries under contracts where the Agency establishes the price or the fixed labor rate for services after considering what the actual staff salaries would be.

- a. The USAID CST is equivalent to the maximum rate at Federal agencies without a certified Senior Executive Service (SES) performance appraisal system [see [ADS 302sar, USAID Contractor Salary Threshold \(USAID CST\)](#)]. While the amount of the CST is derived from the SES system, there is no other connection between the USAID contractor salary policy and the SES system.
- b. Before the Contracting Officer (CO) may authorize payment for any contractor salary that **exceeds** the USAID CST under a USAID direct contract, he or she must obtain approval in accordance with the procedures in **302.3.8.4**.
- c. The USAID CST does not normally apply to executive level salaries. While USAID technical assistance services contracts typically furnish senior-level professional services, the services rarely involve executive level direct labor. Therefore, costs associated with executive level salaries are typically allocated to

a contract through the indirect cost pool, to which CST does not apply. Salaries for individuals providing personal or non-personal services to USAID contractors instead must be compensated at rates determined by the CO to be fair and reasonable in the competitive market, in accordance with applicable [FAR](#) and [AIDAR](#) cost principles. Overall compensation to individuals providing these services are subject to the applicable cost principles in [FAR 31.205-6 and FAR 31.205-33](#) as well as [AIDAR subparts 731.2, 731.3, and 731.7](#).

- d. Contract rates must be established on an hourly basis. For purposes of estimation, calculate non-personal services contract rates based on 2080 hours/year, the number used by many private sector entities. If a contractor employs methods or calculations using other than 2080 hours/year, the CO must annotate this in the negotiation memorandum and in the contract, particularly if the methodology results in an annualized salary exceeding the USAID CST.

302.3.6.11 Waiver to Standards for Accessibility for the Disabled in USAID Construction Contracts

Effective Date: 07/01/2007

When necessary, in accordance with **302.3.5.14**, Contracting Officers (COs) will follow the policies and procedures below to obtain a waiver of accessibility requirements in construction contracts.

- a. New construction. All new construction will comply with the standards for accessibility set forth in the provision “Standards for Accessibility for the Disabled in USAID Construction Contracts” (see **302.3.5.14**).
- b. Alterations to existing structures. Before deviating from accessibility standards when altering existing structures, a contractor must obtain the CO’s advance affirmation that compliance with the standards is technically infeasible or presents an undue burden. The CO provides this affirmation by obtaining a waiver in accordance with the procedures at [USAID Policy on Standards for Accessibility for the Disabled in USAID-Financed Construction](#).
- c. A request for a waiver must include the following:
 - (1) Identification of the specific requirements and procedures of the standards from which a waiver is sought;
 - (2) A detailed explanation, including appropriate information or documentation, as to why a waiver should be granted; and,
 - (3) A statement that, where feasible, persons with disabilities will be accommodated, and which describes how these accommodations will allow the disabled access to the programs and services being provided.

302.3.6.12 Contract Reporting and Data Universal Numbering System (DUNS) Number

Effective Date: 07/01/2007

The Contract Reporting and Data Universal Numbering System (DUNS) Number is the unique identifier used to compile information on all companies, organizations, and people that have awards with the U.S. Government. All successful offerors are required to have a DUNS Number in accordance with [FAR Part 4.6, Contract Reporting](#), regardless of whether they are required to be registered in the Central Contractor Registration database. For more information, see [ADS 302sao, Guidance for Obtaining a DUNS Number](#).

302.3.6.13 Prohibition on Transactions with Designated Entities – Office of Foreign Assets Control (OFAC)

Effective Date: 07/01/2007

Presidential Executive Orders (in particular [E.O. 13224](#)) and U.S. law prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. In addition, [FAR 25.701](#) prohibits agencies and their contractors and subcontractors from acquiring any supplies or services from individuals or organizations, if any proclamation, EO, Office of Foreign Assets Control (OFAC) regulation, or statute administered by OFAC prohibits the transaction. Accordingly, Contracting Officers (COs) must check the OFAC List to ensure that a selected contractor and proposed subcontractors (including known individuals from those organizations), are not on the list. COs must include [FAR 52.225-13, Restrictions on Certain Foreign Purchases](#), in all awards, and ensure that awardees are aware of the list as part of the compliance with that clause.

The OFAC List (or Specially Designated Nationals (SDN) and Blocked Persons List) is available at the OFAC Web site under “[Specially Designated Nationals \(SDN\) List](#).”

302.3.6.14 Incorporating Successful Competitive Proposals into Contracts by Reference

Effective Date: 04/20/2006

Contracting Officers (COs) must not incorporate an entire successful, competitive proposal into the contract by reference. To the extent that a portion of a proposal is of substantial importance to the contract, then the CO must expressly state that portion in the contract or write a specific, clearly delineated citation in the contract that references that portion of the proposal.

302.3.7 Award

Effective Date: 04/20/2006

The following sections provide policy directives and required procedures for the award of a contract.

302.3.7.1 Reserved**302.3.7.2 Congressional Award Notification System**

Effective Date: 07/01/2007

USAID's Congressional Award Notification System requires Contracting Officers (COs) to notify the Bureau for Legislative and Public Affairs (LPA) after signing certain awards to U.S. organizations.

- a. COs must follow the notification procedures in [ADS 302man, Congressional Award Notification](#). The sequential steps are:

- (1) Sign the award,
- (2) Notify LPA,
- (3) Allow the 48-hour embargo period to elapse, then
- (4) Release (or allow to be released) an announcement of the award. The Agency may not announce the award beforehand. This applies to notifying the awardee that the Agency has signed the award. See also Congressional Award Notification, Section II, Other Considerations.

- b. Types of awards which require notification include

- (1) Contracts of any value to an organization that has not previously received an award from USAID. Contracts with individuals are not included.
- (2) Any award with which there was Congressional correspondence during the pre-award stage. LPA will alert the CO that such correspondence has occurred, and the CO will flag the award as falling under these notification criteria and procedures.
- (3) Any award for a particular program or geographic region that the operating unit or LPA identifies as being of particular interest to Congress, the Agency, or the general public; for example, earthquake relief in Haiti or the international HIV/AIDS program. LPA will coordinate with its liaison in the operating unit to identify these awards and will alert the operating unit, the CO, or both of them at the earliest opportunity before the award decision.
- (4) New contracts and contract modifications with a total estimated cost (TEC) or TEC increase of US \$500,000 or more. Modifications providing only incremental funding (and involving no increase to the contract TEC) are not included.

Included in this category are:

- (i) Contracts awarded under the U.S. Small Business Administration (SBA)'s 8(a) program. NOTE: Report the award to the subcontractor [the 8(a) firm] rather than the SBA.
- (ii) Basic indefinite quantity contracts with maximum ordering limits over the \$500,000 threshold.
- (iii) Task orders awarded under USAID multiple award indefinite quantity contracts, as well as under GSA Federal Supply Schedule contracts and other government-wide acquisition contracts (GWACs).

302.3.7.3 Processing of Awards in the Global Acquisition & Assistance System (GLAAS)

Effective Date: 08/06/2013

Prior to signing a contract, COs must ensure that the entire award package is processed and generated in GLAAS, available only internally at <http://inside.usaid.gov/glaas/index.php>. The negotiation memorandum must be documented accordingly. GLAAS contains the most current version of the FAR and AIDAR clauses including those currently found in CIBs/AAPDs. For each acquisition award type in GLAAS, there are corresponding clause templates. The templates help ensure that mandatory clauses and provisions are included in all awards. When the award is signed by all relevant parties, the CO or negotiator must upload a scanned copy of the fully executed award into GLAAS. M/OAA/E has included the use of GLAAS on the Evaluation Scorecard used as part of the Procurement System Review.

302.3.8 Post-Award Administration

Effective Date: 04/20/2006

The following sections provide policy directives and required procedures governing the administration of a contract after award through close-out.

302.3.8.1 Award of Task Orders under Multiple Award Indefinite Quantity Contracts (IQCs) - Fair Opportunity Procedures

Effective Date: 01/08/2007

This section currently consists of the information in the referenced AAPD. At a later time, USAID will incorporate it into this chapter.

[AAPD 02-12, Standardizing USAID Indefinite Quantity Contracts](#)

Four Additional Help documents are available to provide further guidance and clarification on the task order award process in general as well as on field support actions:

- [ADS 302sam, The Nuts and Bolts of Writing Scopes of Work and Competing and Awarding Task Orders under IQCs \(TEXT ONLY VERSION\)](#)
- [ADS 302sam1, The Nuts and Bolts of Writing Scopes of Work and Competing and Awarding Task Orders under IQCs \(VERSION WITH GRAPHICS\)](#)
- [ADS 302sal, Field Support Action Process](#). This document addresses task orders that accept Mission funding and outlines the processes that should be completed before Mission-specific work is authorized under such a task order.
- [ADS 302sad, Contract Types to Address Global Technical Leadership with Field Support and/or Cost-Contributions](#). This document helps to determine alternative contracting mechanisms available to USAID/W technical officers when accepting field support or cost-contributions from Missions or other operating units to co-fund project activities.

302.3.8.2 Award of Task Orders Under Indefinite Quantity Contracts (IQCs) – Exception to Fair Opportunity Procedures for Small Businesses
Effective Date: 04/20/2006

This section currently consists of the information in the referenced AAPD. At a later time, USAID will incorporate it into this chapter.

[AAPD 02-05, New Authority - Exception for Small Businesses Under Indefinite Quantity Contracts \(IQCs\)](#)

302.3.8.3 IQC Task Orders, Design and Implementation, Organizational Conflict of Interest
Effective Date: 04/20/2006

This section currently consists of the information in the referenced CIB. At a later time, USAID will incorporate it into this chapter.

[CIB 99-17, Organizational Conflict of Interest](#)

302.3.8.4 Approval of Contractor Salaries Exceeding the USAID Contractor Salary Threshold (USAID CST)
Effective Date: 07/01/2007

In accordance with **302.3.6.10**, the following procedures must be followed to obtain approval of contractor salaries exceeding the USAID Contractor Salary Threshold (USAID CST).

- a. The Director, M/OAA, must approve any contractor salary that exceeds the USAID CST before the Contracting Officer (CO) may authorize the payment of the salary under a USAID direct contract.
- b. The CO must determine if the proposed salary exceeding the USAID CST is fair and reasonable in accordance with applicable **FAR** and **AIDAR** guidance. If the CO determines that the proposed rate is fair and reasonable, the following procedures must be followed to obtain the approval of the Director, M/OAA, for the salary:
 - (1) The CO must prepare a memorandum in which the proposed salary is evaluated as fair and reasonable in accordance with the applicable FAR guidance. The memorandum must include discussion of the following items:
 - Comparison of the proposed salary with the pre-solicitation independent government cost estimate (IGCE),
 - Comparison of the proposed salary with the individual's salary history for similar work, and
 - The specific basis upon which the proposed rate is considered fair and reasonable in accordance with the applicable **FAR** cost principles.
 - (2) The CO must forward the memorandum to the Contracting Officer's Representative (COR) for his or her concurrence. The COR must prepare a supplemental memorandum indicating concurrence or non-concurrence, discussing relevant technical issues, such as
 - Technical competence of the individual compared to that required for the work,
 - Scope of responsibility, and
 - Any inconsistencies with independent government cost estimates.
 - (3) The COR must forward both the CO's and the COR's memoranda to the cognizant Assistant Administrator or Mission Director for concurrence.
 - (4) If concurrence is granted, the COR returns the memoranda to the CO who will then forward it to the Director, M/OAA, for a decision.

- (5) After the Director, M/OAA, renders a decision, the CO must convey that decision in writing to the contractor to facilitate the contractor's compliance with the relevant cost principle in [AIDAR 731](#).
- (6) The CO must document the actions required in this section in the contract file (see [AIDAR 731.205-6, 731.371\(b\), and 731.772](#)). The approval document must be placed in the contract file.
- c. An increase in the maximum annual rate for the USAID CST cannot, by itself, be the basis for salary increases for contractor employees. Revisions to salaries should only be considered along with changes to the scope of work or in accordance with other contract terms. Salary increases should not be granted without corresponding increases in the quality or quantity of services rendered.

302.3.8.5 Post Award Requirements Concerning Prohibition on Transactions with Designated Entities – Office of Foreign Assets Control (OFAC)

Effective Date: 07/01/2007

- a. COs must check the [Office of Foreign Assets Control \(OFAC\) List](#) to ensure that the names of the contractor, subcontractors, and individuals from those organizations who are known to the CO are not on the list **before**:
 - **Awarding** an option or a modification to increase the scope of a contract,
 - **Issuing** modifications for incremental funding, and
 - **Consenting** to subcontracts (see [FAR Subpart 44.2](#)).
- b. COs must ensure that contractors **are aware** that the requirements of [FAR 52.225-13, Restrictions on Certain Foreign Purchases](#), apply in all USAID-funded awards; contractors must include the clause in all subcontracts.

302.3.8.6 The Role of the Contracting Officer in the Debt Collection Process

Effective Date: 08/06/2013

The [Federal Claims Collection Act of 1966](#) and the [Debt Collection Improvement Act of 1996 \(DCIA\)](#) mandate that agencies comply with standard, Governmentwide debt collection procedures.

The CO is responsible for determining the principal amount of most debts owed by contractors. For the process for recovering debt, see [ADS 625, Accounts Receivable and Debt Collection](#). Additional guidance can be found in [ADS 302sav, Contracting Officer's Role in Debt Collection](#).

302.3.8.7 Evaluation of Contractor Performance

Effective Date: 01/14/2013

As required in [FAR Part 42](#) and [AIDAR 742](#), USAID must evaluate contractor performance. Agency policy and procedures for conducting contractor performance assessments is provided in [ADS 302mbh, Policy Guide for Assessment and Use of Contractor Performance and Integrity Information](#).

302.3.8.8 Reporting on Taxation of U.S. Foreign Assistance

Effective Date: 07/01/2007

So that the Agency may be informed of its foreign assistance being taxed and respond accordingly, Contracting Officer's Representatives (CORs) must ensure that their contractors submit an annual tax report (including negative reports) to them and that the reports are submitted to the Mission Controller or the Office of the Chief Financial Officer, Cash Management and Payments Division (M/CFO/CMP) as applicable. The report is due on or before April 16th of each year.

- (1) USAID Missions. For existing contracts managed in the field, unless otherwise specified, contractors must send the originals of the reports directly to the COR by April 16th of each year. CORs are responsible for submitting them to the Mission Controller by April 16th as well. If the contract specifies another addressee to which the contractor or recipient must submit the reports, the COR must verify that the reports are submitted according to the terms of the award.
- (2) USAID/Washington, DC. For existing contracts managed in Washington, DC, unless otherwise specified, contractors must send reports directly to the COR with a copy to the Chief, M/CFO/CMP, by April 16th of each year. If the contract specifies another addressee to which the contractor must submit the reports, the COR must verify that the reports are submitted according to the terms of the award.

302.3.8.9 Processing of Award Modifications in GLAAS

Effective Date: 08/06/2013

Prior to signing a contract modification, COs must ensure that: the entire modification package is processed and generated in GLAAS; and the negotiation memorandum is documented accordingly. When the modification is signed by all relevant parties, COs or negotiators must upload a scanned copy of the fully executed award into GLAAS.

302.3.8.10 Reporting of Terminations for Default/Cause

Effective Date: 08/06/2013

COs must keep the Suspending and Debarring Official (SDO) and the Bureau for Management, Office of Acquisition & Assistance, Compliance Division (M/OAA/C)

informed of any planned termination for default ([FAR Subpart 49.4](#)) or termination for cause ([FAR Subpart 12.403](#)) action. At least five (5) business days prior to proceeding with a termination, COs must provide the following information by e-mail to compliance@usaid.gov:

- Contractor's name,
- DUNS No.,
- Address,
- Contract and/or task order number,
- CO and COR names,
- Award Period of Performance,
- Award value (TEC), and
- Reasons for termination.

302.3.8.11 Contractor Code of Business Ethics and Conduct - Contractor Disclosures

Effective Date: 08/06/2013

COs must insert the FAR clause FAR 52.203-13, Contractor Code of Business Ethics and Conduct, in solicitations and contracts when the estimated value of the contract is over \$5,000,000 and the period of performance is 120 days or more. Pursuant to this clause, contractors that have credible evidence of violations of Federal criminal law, (including fraud, conflict of interest, bribery, or gratuity violations found in Title [18 U.S.C.](#)) or violations under the Civil False Claims Act (31 U.S.C. 3729-3733), must make timely written disclosure of the violation(s) to the Office of the Inspector General (OIG), and provide a copy to the CO.

Within three (3) business days of receipt of such a contractor disclosure, the CO must forward a copy of the contractor's disclosure documents directly to M/OAA/C at compliance@usaid.gov. M/OAA/C in coordination with GC/LE and the agency's OIG will take appropriate action.

At the post-award orientation meeting with the contractor, the CO must discuss the importance of the ethics clause, and when and to whom to disclose the relevant information. COs are further encouraged to share with the contractors the [Fraud Reporting Guidance for USAID Implementing Partners](#) during the post-award orientation or as soon as practicable during award implementation.

302.3.8.12 Debarment and Suspension

Effective Date: 08/06/2013

- a. M/OAA/C, in consultation with GC/LE, provides direct support and recommendations to the SDO on all matters related to contractor disclosures, suspension, and debarment.

- b. COs must notify M/OAA/C in writing at compliance@usaid.gov when they become aware of any of the causes of suspension or debarment, with regard to contractors and subcontractors, as specified in [FAR 9.4](#).
- c. Upon receiving notification from a CO that a contractor may have engaged in actions that could lead to debarment, M/OAA/C, in consultation with GC/LE, will:
 - Consult with other offices within USAID, as required, to prepare a recommendation for the SDO; and
 - Coordinate suspension or debarment actions with the Interagency Suspension and Debarment Committee (ISDC), and/or the Office of Inspector General.
- d. When, in accordance with [FAR Part 9](#), the SDO decides to initiate a suspension and /or debarment action, M/OAA/C, in consultation with GC/LE will:
 - Issue a written notice of suspension or proposed debarment action to the contractor and any affiliates involved; and
 - Enter the contractor's exclusion information into the System for Award Management (SAM).

302.3.8.13 Close-out Procedures

Effective Date: 09/17/2010

All USAID direct contracts must be closed in accordance with [FAR 4.804](#) closeout of contract files. For guidance on specific procedures for contract closeout see [ADS 302sat, Guidance on Closeout Procedures for A&A Awards](#).

302.4 MANDATORY REFERENCES

302.4.1 External Mandatory References

Effective Date: 07/01/2007

- a. [Executive Order 11223, Relating to the Performance of Functions Authorized by the Foreign Assistance Act of 1961, as amended](#)
- b. [Executive Order 13224, Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism](#)
- c. [Federal Acquisition Circular \(FAC\) 97-27 "Electronic and Information Technology Accessibility"](#)
- d. [Federal Acquisition Regulation \(FAR\)](#)

- e. [Federal Acquisition Regulation \(FAR\) Case 2005-15](#)
- f. [Federal Information Processing Standards, Publication Number 201 \(FIPS PUB 201\)](#)
- g. [Foreign Assistance Act of 1961, as amended](#)
- h. [The National Defense Authorization Act for FY 1997 \(Public Law No. 104-201\), Section 821\(b\)](#)
- i. [The Office of Federal Procurement Policy \(OFPP\) Act of 1974 \(Pub. L. 93-400\), as amended by Pub. L. 96-83](#)
- j. [OMB Guidance M-05-24, dated August 5, 2005](#)

302.4.2 Internal Mandatory References

Effective Date: 08/06/2013

- a. [Acquisition and Assistance Policy Directives \(AAPDs\)/Contract Information Bulletins \(CIBs\)](#)
- b. [ADS 103, Delegations of Authority](#)
- c. [ADS 201, Planning](#)
- d. [ADS 205, Integrating Gender Equality and Female Empowerment in USAID's Program Cycle](#)
- e. [ADS 221, USAID's Procedures for Implementing International Agreements or Tied and Untied Aid](#)
- f. [ADS 300, Agency Acquisition and Assistance \(A&A\) Planning](#)
- g. [ADS 302mag, Updated Guidance for Modified Acquisition & Assistance Request Document \(MAARD\) Usage](#)
- h. [ADS 302mah, Contract Clause Guide for Unclassified Information System Security Systems and Services](#)
- i. [ADS 302mak, USAID Implementation of Section 508 of the Rehabilitation Act of 1973](#)
- j. [ADS 302mal, Class Justification for Other Than Full and Open Competition for Overseas Contracts of \\$250,000 or Less and for Personal Services Contracts with U.S. Citizens Contracted Locally, and with CCNs and TCNs Subject to the Local Compensation Plan](#)

Text highlighted in yellow indicates that the material is new or substantively revised.

- k. [ADS 302mam, Class Justification for Other Than Full and Open Competition for Procurements by Missions for U.S. Manufactured Vehicles](#)
- l. [ADS 302man, Congressional Award Notification](#)
- m. [ADS 302mao, Contract Review Board Guidelines](#)
- n. [ADS 302map, Guidelines for Submitting Unsolicited Contract Proposals](#)
- o. [ADS 302mar, Model Letter and Procedures for Designating the Contracting Officer's Representative \(COR\) for Contracts and Task Orders](#)
- p. [ADS 302mas, Special Provisions for Acquisition](#)
- q. [ADS 302mau, Key Guidance Concerning Justifications and Approvals for Other Than Full and Open Competition](#)
- r. [ADS 302maw, Expedited Acquisition and Assistance Procedures Action Memoranda - Posting Procedures for J&As](#)
- s. [ADS 302max, Template for Justification and Approval for Other Than Full and Open Competition \(J&A\)](#)
- t. [ADS 302maz, Justification for Other Than Full and Open Competition \(JOFOC\) Template for Class D&F to Authorize Limiting Competition to Local Entities](#)
- u. [ADS 302mba, Mission or Bureau Action Memorandum for the Administrator](#)
- v. [ADS 302mbe, Local Competition Authority Pilot Program](#)
- w. [ADS 302mbf, Award Provisions Encouraging More Comprehensive Nondiscrimination Policies by USAID Contractors and Recipients](#)
- x. [ADS 302mbg, USAID Procedures for Partnership Agreement between SBA and USAID for Expedited 8\(a\) Awards](#)
- y. [ADS 302mbh, Policy Guide for Assessment and Use of Contractor Performance and Integrity Information](#)
- z. [ADS 304, Selecting Between Acquisition and Assistance \(A&A\) Implementing Instruments](#)
- aa. [ADS 310, Source and Nationality Requirements for Procurement of Commodities and Services Financed by USAID](#)

Text highlighted in yellow indicates that the material is new or substantively revised.

- ab. [ADS 320, Branding and Marking](#)
- ac. [ADS 330, Source and Nationality Rules for Administrative Procurement](#)
- ad. [ADS 350maa, Guidance on Funding Foreign Government Delegations to International Conferences](#)
- ae. [ADS 458, Training and Career/Professional Development](#)
- af. [ADS 545, Information Systems Security](#)
- ag. [ADS 548, Program-Funded Independent Verification and Validation \(IV&V\) Reviews](#)
- ah. [ADS 557, Public Information](#)
- ai. [ADS 580, Conference Planning and Attendance](#)
- aj. [ADS 624, Host Country-Owned Foreign Currency](#)
- ak. [ADS 625, Accounts Receivable and Debt Collection](#)
- al. [ADS 628, Gifts and Donations and Dollar Trust Fund Management](#)
- am. [Agency for International Development Acquisition Regulation \(AIDAR\)](#)

302.5 **ADDITIONAL HELP**
Effective Date: 08/06/2013

- a. [ADS 302saa, Guidance for Award Fee Contracting](#)
- b. [ADS 302sad, Contract Types to Address Global Technical Leadership with Field Support and/or Cost-Contributions](#)
- c. [ADS 302sae, Certification and Agreement for the Use and Disclosure of Proposals](#)
- d. [ADS 302saf, Contract Employee Use of Department of State Diplomatic Pouch Alternate Pouch Address for Contractor Employee Mail](#)
- e. [ADS 302saq, Contractor Travel vs. Direct-Hire Travel Policy](#)
- f. [ADS 302sal, Field Support Action Process](#)

- g. [ADS 302sam, The Nuts and Bolts of Writing Scopes of Work and Competing and Awarding Task Orders under IQCs \(TEXT ONLY VERSION\)](#)
- h. [ADS 302sam1, The Nuts and Bolts of Writing Scopes of Work and Competing and Awarding Task Orders under IQCs \(VERSION WITH GRAPHICS\)](#)
- i. [ADS 302sao, Guidance for Obtaining a DUNS Number](#)
- j. [ADS 302sap, Guidelines for DBA Coverage for Direct and Host Country Contracts](#)
- k. [ADS 302sar, USAID Contractor Salary Threshold \(USAID CST\)](#)
- l. [ADS 302sat, Guidance on Closeout Procedures for A&A Awards](#)
- m. [ADS 302sau, Approval Process for Other Than Full and Open Competition for Acquisition](#)
- n. [ADS 302sav, Contracting Officer's Role in Debt Collection](#)
- o. [ADS 303sae, Operational Security – General Information](#)
- p. Contract Review Board (CRB) - Identified Issues/Trends, June 2005 (For Internal Use Only. Please contact ads@usaid.gov if you need a copy.)
- q. [Cumulative Listing of Revisions to Acquisition and Assistance Policy Directives \(AAPD\)/ Contract Information Bulletins \(CIBs\) Index](#)
- r. [Guidebook for Managers and Contracting Officer's Representatives on Acquisition and Assistance](#)
- s. [Procurement Executive Bulletins \(PEBs\)](#)

302.6 DEFINITIONS

Effective Date: 04/20/2006

Acquisition & Assistance Policy Directives (AAPDs)

Issued by the Director, Office of Acquisition & Assistance (M/OAA), to provide information of interest to contracting personnel, such as advance notification or interim implementation of changes in acquisition or assistance regulations, reminders, procedures, and general information. **(Chapter 302)**

Agency competition advocate

See competition advocate. **(Chapter 302)**

competition advocate

An individual charged by FAR 6.5 and AIDAR 706.5 with promoting full and open competition. The Agency competition advocate is the Deputy Director in the Office of Procurement (M/OP) responsible for Policy, Evaluation and Support, or his/her designee. For Washington contracting activities it is the Deputy Director in the Office of Procurement responsible for operations. For Missions it is the Deputy Mission Director, or the Mission Director where there is not a Deputy. (**Chapters 302** and [305](#))

Contract Information Bulletins (CIBs)

Previously issued by the Director, Office of Acquisition & Assistance (M/OAA), to provide information of interest to contracting personnel, such as advance notification or interim implementation of changes in acquisition or assistance regulations, reminders, procedures, and general information. Replaced by Acquisition & Assistance Policy Directives (AAPDs). (**Chapter 302**)

Contract Review Board (CRB)

A board comprised of Contracting Officers and a General Counsel (GC) representative responsible for reviewing documentation for acquisition actions exceeding \$10 million in order to minimize vulnerabilities that could lead to protests, disputes, claims, and litigation against the Agency; providing senior level advice on contracting actions to the Contracting Officer; and, ensuring the consistency of procurement documentation. (**Chapter 302**)

Contracting Officer (CO)

A person representing the U.S. Government through the exercise of his or her delegated authority to enter into, administer, and terminate contracts and make related determinations and findings. This authority is delegated by one of two methods: to the individual by means of a "Certificate of Appointment", SF 1402, as prescribed in FAR 1.603-3, including any limitations on the scope of authority to be exercised, or to the head of each contracting activity (as defined in AIDAR 702.170), as specified in AIDAR 701.601. (**Chapters 302** and [331](#))

direct acquisition

When USAID is a direct party, a signatory, in a mutually binding legal relationship obligating the seller ("contractor") to furnish supplies or services and the buyer ("USAID") to pay for them. (**Chapters [301](#) and 302**)

direct procurement

See direct acquisition. (**Chapter 302**)

Federal Acquisition Regulation (FAR)

The primary document containing the uniform policies and procedures for all executive agencies for the acquisition of supplies and services with Congressional appropriations. It is Chapter 1 of Title 48, Code of Federal Regulations (CFR). (**Chapters 302** and [330](#))

head of the contracting activity (HCA)

The official who has overall responsibility for managing a contracting activity. AIDAR 702.170-10 lists each HCA for USAID and the limits on the contracting authority for each are in AIDAR 706.601. Also, see contracting activity. (**Chapters 302**, [330](#), [331](#))

Procurement Executive Bulletin (PEB)

An information document issued by the Director, Office of Acquisition & Assistance, to provide information of interest to contracting personnel, such as policy reminders, information regarding general guidance, best practices, reminders, and frequently asked questions. (**Chapter 302**)

302_091613